

The National Union Life Insurance Company

FRIDAY, MARCH 22, 1935

INS. LAB.

THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES

THOMAS I. PARKINSON, President
393 SEVENTH AVE., NEW YORK, N. Y.

A Mutual Company Founded in 1859. Incorporated under the Laws of the State of New York

MAR 25 1935

75TH ANNUAL STATEMENT Balance Sheet, December 31, 1934

ASSETS		LIABILITIES AND RESERVES	
Cash (including time and fixed deposits of \$2,913,395.97)	\$ 93,753,089.87	General Insurance Reserves	\$1,453,998,102.00
*United States Government Obligations (including \$234,861.00 on deposit with public authorities)	230,869,451.01	Reserve for Future Payments under Supplementary Contracts	55,629,855.00
*Other Bonds (including \$9,260,983.22 on deposit with public authorities)	412,587,292.24	Reserve for Death and Disability Losses Incurred but Unreported	9,296,500.00
*Stocks:		Other Liabilities:	
Preferred and guaranteed stocks	\$64,212,445.00	Policy claims in process of payment	17,030,391.09
Other stocks	946,043.38	Dividends (with Interest thereon) Left on Deposit with the Society	18,917,515.58
First Mortgage Loans on Real Estate	375,431,094.78	Federal, State, and Other Taxes, Accrued not Due	3,885,450.95
Foreclosed Real Estate Subject to Redemption	25,882,879.52	Miscellaneous	4,076,270.88
Real Estate	110,429,827.84	Suspense Credits (Including Premiums, Interest, and Rentals Received in Advance and Unearned, Unapplied Receipts and Other Suspense Items)	18,288,863.00
Loans on Society's Policies	292,250,069.72	Dividends Apportioned for Distribution during 1935:	
Premiums Receivable	29,871,145.12	On Annual Dividend Policies	32,975,000.00
Interest and Rentals Due and Accrued and Other Assets	21,067,808.14	On Deferred Dividend Policies	18,797.00
		Amount Awaiting Apportionment to Deferred Dividend Policies	35,344.00
		Unassigned Surplus	43,149,057.12
Total Admitted Assets	\$1,657,301,146.62	Total	\$1,657,301,146.62

*In accordance with the insurance law of the State of New York, bonds not subject to amortization and all stocks are stated at market quotations of December 31, 1934, other bonds being stated at their amortized values.

SUMMARY OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 1934

Receipts during the year from insurance premiums and consideration for annuities amounted to \$310,033,751.28 and total receipts including income from investments, consideration for supplementary contracts and dividends left with the Society at interest amounted to \$414,861,901.37.

Claims and dividends paid to policyholders and beneficiaries during the year amounted to \$198,972,446.56. These disbursements included \$66,105,846.54 for death claims and accidental death benefits and \$132,866,600.02 to living policyholders as dividends, annuities, matured endowments, etc.

After paying expenses, taxes, and other charges, and after allowing credits on account of premiums and interest receivable and making sundry asset adjustments, the total admitted assets amounted to \$1,657,301,146.62, or an increase of \$136,593,768.07.

After adding \$134,903,942.00 to the contractual reserves, and adjusting other liabilities, the unassigned surplus amounted to \$43,149,057.12 at December 31, 1934.

ACCOUNTANTS' CERTIFICATE

THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES:

We have made an examination of the balance sheet of The Equitable Life Assurance Society of the United States as of December 31, 1934, and of the summary of operations for the year 1934. In connection therewith, we examined or tested Home Office accounting records of the Society and other supporting evidence. Our examination was continuous throughout the year 1934.

We verified the cash balances of the Home Office by count of cash on hand and by confirmations obtained from depositaries, and verified the possession of the bonds and stocks owned. We examined the mortgage loans, which are stated at cost, by inspection of the notes and mortgages; the policy loans by inspection of the contracts and the collateral or assignments thereof; the real estate account, which is stated at cost less depreciation (real estate subject to redemption stated at cost), by inspection of deeds, vouchers, and other documents. The general insurance reserves, and other reserves requiring actuarial computations, and the dividend apportionments were determined by the Actuary of the Society. The general insurance reserves were confirmed by certificates of the Department of Insurance of the State of New York.

In our opinion, subject to the foregoing, the accompanying balance sheet (with the notation thereon) fairly presents the financial condition of the Society at December 31, 1934 and the figures appearing in the summary of operations for the year ended that date are correct extracts from the records.

New York, February 15, 1935

HASKINS & SELLS.
Certified Public Accountants.

90TH ANNUAL STATEMENT

DECEMBER 31, 1934

NEW YORK LIFE INSURANCE COMPANY

A MUTUAL COMPANY FOUNDED IN 1845 INCORPORATED UNDER THE LAWS OF THE STATE OF NEW YORK

To the Policy-holders and the Public:—

On the occasion of the ninetieth annual report of the New York Life, it is fitting to review briefly its record of accomplishment since it began business on April 12, 1845.

Founded when this country was young and sparsely settled, the New York Life has forged steadily ahead, spreading the benefits of its protection over millions of people and contributing, through the investment of its funds, to the Nation's development. Having always been a mutual company, it has declared over one billion dollars in dividends payable to policy-holders. Since 1845 it has met every obligation through every panic, war and epidemic.

During the past year the Company paid or credited \$157,000,000 to living policy-holders, and \$70,000,000 to the beneficiaries of those who died.

The Company's assets were \$2,109,505,224 at the close of 1934, an increase of \$98,562,112 over the previous year. The gain in assets during the single year 1934 is greater than the total amount which the Company accumulated in assets during the first forty-four years of its history.

During the year 1934 our investments in Government, State and Municipal Bonds increased \$146,918,786. A decrease of \$17,000,000 in policy loans and an increase of over \$60,000,000 in new insurance issued during the year reflect the general improvement of business in 1934.

The following table shows the diversification of the Company's assets at the end of 1934. All bonds eligible for amortization are carried at their amortized value determined in accordance with the law of the State of New York. All other bonds, including bonds in default, and all guaranteed and preferred stocks, are carried at market value as of December 31, 1934.

	Assets Dec. 31, 1934	Per Cent of each item to Total Assets
Cash on Hand or in Bank.....	\$36,449,562.46	1.73
United States Government, direct, or fully guaranteed Bonds.....	208,726,056.38	9.89
State, County, Municipal Bonds.....	191,270,360.25	9.07
Public Utility Bonds.....	159,151,938.01	7.54
Industrial and Other Bonds.....	21,670,306.29	1.03
Railroad Bonds.....	341,910,539.57	16.21
Canadian Bonds.....	44,445,022.61	2.11
Foreign Bonds.....	2,067,183.26	.10
Preferred and Guaranteed Stocks.....	69,610,789.00	3.30
Real Estate (Including Home Office).....	97,212,901.52	4.61
First Mortgages, City Properties.....	459,805,821.86	21.80
First Mortgages, Farms.....	12,527,521.11	.59
Policy Loans.....	396,467,101.27	18.79
Interest & Rents Due & Accrued.....	31,877,282.34	1.51
Other Assets.....	36,312,838.44	1.72
TOTAL ASSETS	\$2,109,505,224.37	100%

The liabilities of the Company, which include reserves to meet all contractual obligations, were \$1,994,134,579.

Included in liabilities, the Company has set up a Special Investment Reserve of \$28,000,000 not required by law, and reserves of \$45,734,207 for dividends payable to policy-holders in 1935.

Surplus funds reserved for general contingencies on December 31, 1934, amounted to \$115,370,645.

Total insurance in force, represented by 2,649,953 policies, was \$6,661,514,072. The total new paid for insurance in 1934 was \$440,000,000. In addition, men and women paid \$45,000,000 to the Company for annuities to provide a guaranteed life income.

April 12, 1935, marks the Ninetieth Anniversary of the New York Life. In view of its financial strength and its long record of fidelity in the fulfillment of its obligations, this mutual company continues to merit the confidence and patronage of its policy-holders and the public.

Thomas A. Buckner
President

A more complete report listing the securities owned by the Company, together with an illustrated booklet describing the Company's ninety years of service to policy-holders, will gladly be sent upon request. Write to the Company's Home Office at 51 Madison Avenue, New York, or to any of its Branch Offices throughout the United States and Canada.

BOARD OF DIRECTORS

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The National Underwriter

LIFE INSURANCE EDITION

Thirty-Ninth Year—No. 12

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, MARCH 22, 1935

\$3.00 Per Year, 15 Cents a Copy

Motivation Talks Given in Congress

Trust Officer, Surrogate Judge and
Minister Address New York
Meeting

STORIES OF REAL LIFE

Insurance to Cover Estate Shrinkage,
Guard Against Administration Haz-
ards Stressed by Speakers

NEW YORK, March 21.—Motivating stories worthy of the toughest prospect's mettle were presented by a trust officer, a surrogate judge and a minister at the New York City Life Underwriters Association's annual sales congress this week.

Assistant Secretary R. M. Lovell of the Central Hanover Bank & Trust Co., New York, told of a wealthy New England iron manufacturer whose failure to provide life insurance in addition to his general estate resulted in the whole estate becoming a white elephant to all heirs. The widow was forced to live in a 30-room mansion because it could not be sold, with an income of only \$2,000 a year.

Cites an Interesting Case

The depression ruined the iron business. The man's son, previously sales manager of the iron works, had to get another job and devote most of his earnings to trying to keep a business property, which he had also inherited from his father, from being foreclosed because of scant rentals.

"It would have required a lot of insurance to have covered all the problems that developed in his estate," said Mr. Lovell, "but the actual truth is that a lot of insurance is needed in nearly every estate if shrinkage is to be avoided. However, the larger a man's estate may be the larger proportion of insurance is required."

"This fact, which so many of your customers and ours fail to realize, can be demonstrated very simply. The tax rates increase as estates grow larger. A man with a \$100,000 estate faces estate taxes of about \$2,500 and can insure himself against tax shrinkage by buying \$2,500 of life insurance. A man with an estate twice as large faces a tax more than five times as great and needs five times as much life insurance. A man with a \$500,000 estate would require 25 times as much insurance as a man with a \$100,000 estate."

Another Important Factor

An important consideration that is likely to be overlooked is the competence of those receiving the estate to manage it to their own best interest, said Mr. Lovell. "A fine old gentleman told me about the plan of his will and his insurance," he continued. "Lovell," he said, "I've got a boy that's just 25 years old. I know a lot more now than I did when I was his age."

(CONTINUED ON PAGE 8)

Law Not Violated by Union System of Group Insurance

COURT RELEASES OFFICERS

Contract Made in Washington—Local in
New York Collects and For-
wards Premiums

Ordering the defendants released from custody on writs of habeas corpus, the New York court of appeals holds there was no violation of the New York insurance law in handling and continuing the group insurance policy written by the Union Cooperative Insurance Association of Washington, D. C., on the members of Local Union No. 3 of the International Brotherhood of Electrical Workers. Local Union No. 3 is an unincorporated association located in the city of New York. The Union Cooperative is not licensed in the state.

The officers of Local Union No. 3 went to Washington, D. C., May 19, 1927, and entered into a written contract with the Union Cooperative. The contract covered group insurance on all members of the union. The union rules made group insurance compulsory, and the members paid \$5.10 quarterly to the local union.

Collected and Forwarded Premiums

This sum was transmitted by the union to the insurance association. The financial secretary each month sends by mail to the insurance association at its home office in Washington a check for that portion of the total dues collected representing insurance premium. There is no commission or compensation of any kind on the handling of the business.

Officers of the union were arrested on the charge of transacting business or aiding in the transaction of business in New York by an insurance company not authorized to transact business there. In ordering their release, the court of appeals said it is settled law that a state cannot forbid contracts of insurance relating to risks within its limit from being made between a citizen and a corporation in another state.

Not Transacted in New York

New members of the union did not come under the group plan until certain data, including proof of membership and of good health, was submitted to the insurance association at its home office in Washington. The court was unable to see that the contractual rights, either of Local Union No. 3 or of any of its members, came into existence by virtue of any act which would constitute the transaction of business in New York. It follows, said the court, that even though the union officers by their acts could be said to have been aiding the insurance association, they were guilty of no violation of the New York law because their aid was not given in the transaction of business within that state. Had it been otherwise, still there would have been no violation since they were in no sense acting for the insurance association, but at most were acting on behalf of Local Union No. 3 of which they were officers, and on behalf of the individual group members, the court decreed.

Hobbs Measure Is Assailed at Hearing in Washington

MANY INTERESTS ARE HEARD

Objectors to Bill Governing Unlicensed
Operations Include Marine People,
Brokers, Cotton Men, Bankers

WASHINGTON, March 21.—Adverse effects upon legitimate insurance companies would follow enactment of the Hobbs bill closing the mails to companies in states to which they are not enacted, members of a subcommittee of the house postoffice committee were told.

A large number of protests have been received from church, traveling men's and other organizations which provide insurance or pensions, it was disclosed by committee members and it was indicated that the measure will have to be amended to take care of that situation, it being generally conceded that it is not aimed at such organizations.

Appearing to lay before the committee the protest of the Iowa State Traveling Men's Association, members of the Iowa Congressional delegation suggested to the committee that the matter should be handled under the general fraud statutes, Congressman Eicher characterizing the bill as a "lazy man's approach" to the problem.

Asks Marine Exemption

Protest against the measure was voiced for the marine branch of the industry by A. C. Charles of the American Institute of Marine Underwriters, who urged that that branch of the business be exempted.

Mr. Charles pointed out that marine insurance is not based on property with a fixed location, and that some of the companies are not authorized to do business under all the state laws because of the fact that 90 percent of the business is written in seven states.

Protest was also lodged by Edward S. Brashears of Washington, appearing for the Chicago brokerage house of Scarborough & Co., who pointed out that policy renewals would be seriously affected.

"It is like burning down a forest to get at one diseased tree," he told the committee. "The present laws ought to be sufficient to prevent fraud; but this is not aimed at fraud. It is an attempt to pull some one else's chestnuts out of the fire."

Cotton People Object

The bill would cost the cotton industry \$1,500,000, it was declared by A. L. Reed of Dallas, appearing as counsel for a number of cotton warehousemen, who charged that it goes far beyond the purpose to be accomplished.

Mr. Reed contended that the only legislation necessary is an act providing that when insurance companies accept a policy they shall file an agreement with the state insurance commission that they will accept court citation when claims are made.

State officials rather than the federal government should deal with the problems covered by the Hobbs bill, it was asserted by Moses G. Hubbard, Jr. of Utica, N. Y., counsel for the Interna-

Would Eradicate Part Time System

National Association Blasts Probationary Part Timer Idea—
Asks Clean Sweep

PAMPHLET IS SENT OUT

Agents Association Urges Rapid Realization of the Guiding Principles of
Agency Officers Association

The National Association of Life Underwriters is now sending out a 16-page booklet calling for rapid realization of the so-called declaration of guiding principles formulated by a committee of the Association of Life Agency Officers to which the companies are being asked to subscribe. The declaration sets forth objectives for the improvement of conditions in the field. The National association pamphlet is mainly a blast at the part time agency system. The companies are called upon to eliminate the probationary part time agent in urban centers, contending that the problem cannot be solved so long as the idea persists that it is proper and effective to employ men on a try out basis. Indicating the tenor of the booklet are these questions, statements and observations:

Questions Are Asked

"Is it fair to the person trying to make a living in the insurance business, to let part-time agents collect commissions on insurance sold, usually, by virtue of their full-time job?" "Can hope defeat facts and the law of average?" "We have had the probationary part-time agent idea to plague us for nearly a hundred years. It has been tried to the point of nausea."

The probationary part-time agent either (1) does his damage, and then disappears (others, of like ilk, taking his place), or (2) becomes more or less 'successful' as a part-time agent, and remains in that anomalous relationship to the business. The 'good' part-time agents become habitual part-timers.

"There is no record to prove the 'gorgeous generality' that many existing first class life underwriters entered the business via the part-time route. It is a myth. Compared to the number of full-time agents now in the business, relatively few, in terms either of numbers or percentage, started that way."

"A few isolated cases, over a period of many years, of part-time agents who become standard, full-time producers, proves no more than does the fact that some men, declined for life insurance, live their proverbial three score and ten."

"Why should the part-time agent go into the life insurance business full-time when he can still keep his job and still sell life insurance?"

tional Federation of Commercial Travelers Insurance Organizations.

(CONTINUED ON PAGE 7)

Companies Ranked by Amount in Force

Life insurance in force in the United States amounted to \$104,276,410,173 on Jan. 1, 1935, according to an actual total of the reports of 276 legal reserve companies compiled by the Unique Manual Digest, published by THE NATIONAL UNDERWRITER. This is an increase of \$1,057,290,295, or 1 percent, over the 1934 total of \$103,219,119,878. In 1933 the total was \$108,290,757,814.

There are 15 companies in the billion dollar insurance in force class, compared to 16 last year, the Connecticut General having dropped just below that mark.

Group and industrial business showed increases in 1934, the industrial totaling \$17,468,024,243, compared to \$17,011,522,649 the year before. Group in force now totals \$10,135,729,836 as compared with \$9,372,525,893. Ordinary shows a slight decrease with \$76,662,656,094, compared to \$76,835,071,336 in 1933. However, there were 11 more companies reporting last year.

Eighty-four Companies in \$100,000,000 Class

There were 84 companies in the \$100,000,000 class on Jan. 1, compared to 76 last year, indicating a substantial growth in middle sized organizations. Among the companies joining the \$100,000,000 class are the Business Men's Assurance, Pilot Life, Home, Pa., and Sun, Md. All along the line it is noticed that the industrial writing companies showed better gains in 1934 than those writing ordinary only.

The first 13 companies showed no change in ranking in 1934. The New England Mutual and the Union Central changed places, the former going to 14th place. The Bankers of Iowa and the General American changed in 21st and 22nd places, while the Western & Southern and the Pacific Mutual switched 23rd and 24th places. The State Mutual and Phoenix Mutual switched 25th and 26th places. The Great West and the Equitable of Iowa transferred in the 27th and 28th places. The American National of Texas advanced from 37th to 32nd place. The National Life of Vermont went from 29th to 31st and the Manufacturers from 31st to 32nd. The National Life & Accident showed a nice gain, going from 41st to 35th place. The Bankers National advanced from 102nd to 95th place and the Provident Life & Accident from 108th to 96th.

The following figures show the total insurance in force and the industrial and group figures for 276 companies. The industrial and group figures are included in the total.

Rank 1935	Rank 1934	Company	Insurance in Force
1	1	Metropolitan	\$19,489,805,475
		Ind.	6,617,508,665
		Grp.	2,655,457,433
2	2	Prudential	15,352,455,650
		Ind.	6,764,281,467
		Grp.	1,082,135,837
3	3	New York	6,661,514,072
4	4	Equitable, N. Y.	6,143,158,113
		Grp.	1,402,077,502
5	5	Travelers	4,195,582,368
		Grp.	1,466,054,063
6	6	Mutual, N. Y.	3,744,186,170
7	7	Northwestern Mut.	3,704,527,648
8	8	John Hancock	3,473,967,189
		Ind.	1,384,894,314
		Grp.	264,749,021
9	9	Aetna	3,400,504,967
		Grp.	1,517,284,436
10	10	Sun, Canada	2,732,899,879
		Grp.	351,732,595
11	11	Mutual Benefit	2,056,941,859
12	12	Mass. Mutual	1,888,626,846
13	13	Penn. Mutual	1,847,112,503
14	14	New Eng. Mutual	1,281,764,164
15	15	Union Central	1,178,919,923
16	16	Conn. General	985,861,704
		Grp.	239,027,982
17	17	Provident Mutual	934,766,828
18	18	Conn. Mutual	892,630,938
19	19	Lincoln Natl.	867,487,155
		Grp.	46,962,971
20	20	Canada	828,312,218
		Grp.	90,312,916
21	21	Bankers, Ia.	734,851,142
22	22	General American	724,017,304
		Grp.	288,946,634
23	24	Western & Southern	680,813,279
		Ind.	447,518,344
24	23	Pacific Mutual	637,275,616
25	25	Phoenix Mutual	583,611,121
26	26	State Mutual	575,763,587
27	28	Great West	554,363,682
		Grp.	37,229,158
28	27	Equitable, Ia.	551,216,701

Rank 1935	Rank 1934	Company	Insurance in Force
29	32	Amer. Natl. Tex.	521,372,831
		Ind.	361,569,868
		Grp.	24,376,800
30	30	Mutual, Canada	521,174,304
		Grp.	12,684,898
31	29	Natl. Life, Vt.	514,140,399
32	31	Manufacturers	508,078,583
		Grp.	8,010,835
33	33	Guardian, N. Y.	457,735,874
		Ind.	53,834
		Grp.	1,089,845
34	34	Reliance	400,061,267
35	41	Natl. L. & A., Tenn.	397,162,475
		Ind.	258,534,404
		Grp.	5,408,000
36	36	Life of Va.	396,015,756
		Grp.	3,408,250
37	35	Kansas City	388,097,351
38	38	Confederation	365,213,941
		Grp.	26,468,748
39	37	Fidelity Mutual	361,805,130
40	39	Northwestern Natl.	360,268,895
		Grp.	78,928,639
41	38	Home, N. Y.	351,660,186
42	40	Acacia Mutual	351,199,476
43	42	Jefferson Standard	314,834,797
		Grp.	211,700
44	43	Southwestern, Tex.	273,485,209
		Grp.	27,091,983
45	44	Great Southern	226,135,447
		Grp.	10,447,200
46	45	Central, Iowa	213,945,573
47	47	Cal.-Western States	210,951,572
		Grp.	11,761,300
48	47	Berkshire	210,256,896
49	46	State Life, Ind.	201,120,502
50	48	Minnesota Mutual	191,973,147
		Grp.	26,319,292
51	51	Hercules	186,233,339
52	56	Mutual, Md.	185,306,254
		Ind.	145,910,940
53	52	Occidental, Calif.	183,821,314
		Grp.	27,532,804
54	50	North Amer. Can.	182,201,025
		Grp.	2,174,450
		Ind.	605
55	49	Ohio Natl.	178,360,282
		Ind.	40,394,000
		Grp.	1,746,000
56	55	Continental, Ill.	175,682,997
		Grp.	50,319,985
57	51	Franklin Life	175,399,960
		Grp.	3,866,103
58	57	Life & Cas., Tenn.	172,126,547
		Ind.	123,976,953
		Grp.	3,207,000
59	53	Amer. Central	160,577,812
60	54	Columbian Natl.	158,285,523
		Ind.	48,247
		Grp.	173,215
61	58	Mutual Trust	153,548,214
62	59	Pan-American	152,938,442
		Grp.	7,180,300
63	63	Dominion Life	148,326,842
		Grp.	1,922,041
64	61	Crown	147,861,463
		Ind.	462,310
65	65	Alliance	138,299,488
		Grp.	1,090,800
66	63	Shenandoah	137,640,749
		Grp.	87,108,615
67	60	N. Amer. Reassur.	137,147,700
68	62	Atlantic	132,694,878
		Grp.	296,750
69	64	Bankers, Neb.	122,537,587
70	68	Commonwealth	121,470,833
		Grp.	58,004,914
		Ind.	3,435,823
71	65	Columbus Mutual	120,965,872
72	66	Guarantee Mutual	116,944,740
73	67	Southland, Tex.	115,041,962
74	69	West-Coast	112,302,608
		Grp.	8,387,285
75	73	Continental Amer.	107,139,022
		Grp.	78,100
76	74	Volunteer State	104,226,944
77	71	Volunteer State	103,324,633
78	78	Sun, Md.	102,387,725
		Ind.	74,956,933
79	75	Midland Mutual	101,570,218
80	77	Home, Pa.	101,455,385
		Ind.	53,692,759
81	70	Yeomen Mutual	100,667,386
82	79	Pilot, N. C.	100,322,126
		Grp.	26,425,149
83	72	Colonial	100,279,446
		Ind.	85,000,000
84	81	Business Men's, Mo.	100,081,793
		Grp.	11,623,477
85	83	Indianapolis	93,400,169
86	76	Central States	92,022,859
		Grp.	1,458,266
87	82	Security Mut., N. Y.	91,037,241
88	84	Northern, Wash.	90,167,541
		Grp.	14,735,577
89	85	Baltimore	89,276,816
		Ind.	66,590,533
90	80	Federal, Ill.	85,767,850
		Ind.	12,114
		Grp.	503,000
91	86	Ohio State	81,767,691
		Grp.	488,000
92	92	Amicable	75,144,067
		Grp.	692,800
93	90	Illinois Bankers	73,567,011
94	87	Old Line, Wis.	73,154,643
95	102	Bankers Natl.	72,067,461
		Ind.	32,351,430
		Grp.	3,429,500
96	108	Provident Life & Ac.	71,043,561
		Grp.	44,848,082
97	94	Boston Mutual	70,919,626
		Ind.	48,469,053
98	88	Manhattan Life	69,237,432
		Ind.	104,900
99	97	Equitable, D. C.	69,212,933
		Ind.	45,564,363
100	89	Amer. Life, Mich.	68,014,341
101	99	Country Life	68,029,998

Rank 1935	Rank 1934	Company	Insurance in Force
102	102	Central, Ill.	65,028,406
103	103	Protective, Ala.	61,391,068
		Grp.	14,659,565
104	104	Lamar	61,308,296
105	105	Eureka-Maryland	60,902,222
		Grp.	3,817,973
106	106	United Benefit	60,240,520
107	107	Union Life, Me.	59,806,747
108	108	Natl. Life, Iowa	59,659,684
109	109	North Amer. Ill.	59,053,182
		Grp.	3,392,500
110	110	Presbyterian Minst.	58,851,338
111	111	Capitol, Colo.	57,364,060
		Grp.	10,302,500
112	112	Reserve Loan	56,359,229
113	113	Union Cooperative	55,757,987
		Grp.	51,119,725
114	114	Philadelphia	53,955,650
		Grp.	181,000
115	115	Home Beneficial	52,689,701
		Ind.	47,790,728
116	116	Beneficial	52,570,005
		Grp.	275,000
117	117	Gulf, Fla.	53,455,919
		Ind.	32,087,742
		Grp.	3,723,300
118	118	Union Labor	52,560,379
		Grp.	45,462,200
119	119	Oregon Mutual	51,949,386
120	120	Knights Life	51,623,167
		Ind.	34,684,636
121	121	Continental, D. C.	50,294,327
122	122	Farmers & Bankers	49,860,703
123	123	Teachers Ins. & An.	48,548,645
124	124	Postal, N. Y.	48,099,602
		Ind.	5,095
		Grp.	696,803
125	125	Interstate L. & A.	48,059,426
		Ind.	41,380,671
		Grp.	10,000
126	126	Guaranty, Iowa	44,888,451
		Grp.	3,429,750
127	127	Peoples, Ind.	43,965,738
		Grp.	4,772,873
128	128	Liberty Natl.	43,151,082
		Ind.	19,291,280
129	129	Durham	42,838,873
		Ind.	36,911,158
130	130	Natl. Guardian	41,448,533
131	131	Southeastern	41,314,531
		Grp.	9,823,654
132	132	Montana Life	40,775,248
133	133	Gulf States Security	40,187,097
		Grp.	2,772,123
134	134	United Life & Acc.	39,584,563
		Grp.	64,000
135	135	New World	38,329,409
136	136	Federal Reserve	38,220,154
137	137	Colorado Life	38,027,837
138	138	Washington Natl.	37,106,820
		Ind.	29,423,153
		Grp.	1,179,500
139	139	Texas Prudential	35,749,460
		Grp.	20,397,105
140	140	North Carolina Mut.	35,641,253
		Ind.	22,527,700
		Grp.	533,600
141	141	Midland Life	35,327,256
142	142	Wisconsin Natl.	35,274,888
		Ind.	6,787
143	143	Liberty, S. C.	35,102,744
		Ind.	29,428,234
144	144	Farmers & Traders	34,846,738
145	145	Seranton	34,377,841
146	146	Natl. Fidelity	31,870,000
		Grp.	8,000
147	147	Great Northern	31,434,655
		Ind.	1,186,848
		Grp.	20,800
148	148	Girard	31,415,430
149	149	United Fidelity	30,473,602
150	150	Mass. Protective	30,071,236
151	151	Conservative, W. Va.	29,479,532
152	152	Michigan Life	29,425,968
153	153	Michigan Life	27,741,905
		Grp.	859,500
154	154	Security Mut., Neb.	27,347,959
155	155	Globe, Ill.	27,089,571
		Ind.	6,134,429
156	156	Columbia Life	26,763,238
157	157	Security Life & Tr.	26,724,959
158	158	Peninsular	26,521

Canadian Parliament Takes Up Policy Loan Question

FINLAYSON GIVES VIEWS

Discourages Proposal to Limit Interest Rate to 4 Percent as Very Hazardous Practice

OTTAWA, CAN., March 21.—In the house of commons here, interest rates on policy loans were discussed when a private member introduced a bill to have the rate limited to 4 percent. N. W. Rowell, appearing as counsel for the principal companies, agreed to a limitation to 6 percent, which is the customary rate, and this would eliminate the extras running as high as 4 percent which have been charged in connection with automatic loans.

The 4 percent proposal met with general opposition, however. Superintendent G. D. Finlayson of the Dominion said that it would be inadvisable to have the companies lending money at less than the rates of the banks, as it might bring a run on the companies, as had occurred in the United States and turn them into lending organizations. Runs might force them to dump large blocks of securities, he said, and this would be injurious to the companies and their policyholders.

Finlayson Gives Views

The most profitable loans an insurance company has are its loans to policyholders, Mr. Finlayson agreed when questioned by the committee. Six percent on loans on which there never need be any losses as they are secured by policies, is a higher rate than could be obtained on any other form of security corresponding in safety. The practice of borrowing on policies is not one that should be encouraged he explained. It takes away the insured's protection and policies encumbered with loans are more apt to lapse. The effect of a very low rate on loans would be to penalize those who did not borrow on their policies to help those who did.

Automatic Loan Practice

The companies now charge 6 percent as a rule on policy loans, but in cases where the insured fails to pay his premium and an automatic loan has to be made to cover it, the practice has been to make an extra charge for expenses.

The committee had previously turned down four clauses in the bill which would have regulated the system companies must follow in extending the life of a policy after the insured has failed to pay the premium. The justice department advised these clauses might be ultra vires the Dominion Parliament.

Whirlwind Illinois Tour

Continuing the second week of the series of meetings of Illinois associations, R. B. Hull, managing director National association, and C. F. Axelson, president Illinois association, appeared before the Lake County association at Waukegan Monday noon. Mr. Hull spoke on "The Struggle for Security" and Mr. Axelson discussed the provisions of the new Illinois insurance code.

The Monday evening meeting was at Elgin followed by one at Aurora Tuesday noon where J. M. McClenaghan of Elgin, vice-president state association also spoke. Tuesday afternoon the three speakers moved to Rockford for an evening meeting. Wednesday noon Mr. Hull addressed a joint meeting of the Rock Island and Davenport associations and that evening was the guest of the Galesburg association. A meeting at Quincy Thursday noon was followed by one in the evening at Jacksonville where James W. Ross, president Peoria association and Lester Schriver of Peoria, vice-president National association also were on the program. The tour ends with a luncheon meeting of the Peoria association Friday.

No Possibility of Printing Press Currency Inflation

M. A. LINTON GIVES VIEWS

President Roosevelt Fully Aware of Danger of Runaway Inflation—Insurance Safest Curb

NEW YORK, March 21.—Inflation of the printing-press currency variety is "almost a zero possibility," President M. A. Linton of the Provident Mutual Life told members of the C. D. Connell agency of the company at a breakfast meeting here. President Roosevelt and his advisers are fully as aware as anyone else of the dangers of runaway inflation, he said, and the agitation for various unsound measures is driving the administration further and further toward sound policies.

One reason for believing that radical inflation of currency is an extremely remote possibility is that farm prices have already been brought a long way toward parity with the prices the farmer has to pay, Mr. Linton said. Another is that prices are already beginning to rise and the cry for higher prices has been somewhat mitigated by those who have to pay the increases.

Can't Take Sides

A life insurance company is in a difficult spot in attempting to do anything very effective against inflation, he pointed out. Any telling blow against inflation must be struck against the factors making for inflation, such as the soldiers' bonus, and other measures or proposals tending to throw the budget farther out of balance. A life company, particularly a mutual company, would be accused of getting into politics if it attempted to take sides in such contests, he said.

(CONTINUED ON NEXT PAGE)

Named Medical Director of the Alliance Life



DR. JOHN R. NEAL

Appointment of Dr. John R. Neal of Springfield as medical director of the Alliance Life of Peoria has been announced.

Dr. Neal was an organizer of the Abraham Lincoln Life in 1916 and its medical director until recently, when the Springfield organization was reinsured by the Illinois Bankers Life.

Dr. Neal has enjoyed a national reputation in the insurance field. In 1931 he was president of the Health & Accident Underwriters' Conference. Last year he served as chairman of the Medical Section of the American Life Convention.

Handling Claims, Surrenders Is Office Management Topic

SPECIAL MEETING APRIL 22

Conference in New York City—Many Subjects Covered in Outline of Discussion

The program for the special eastern conference of the Life Office Management Association, to be held in New York City April 22-23 is now being planned. Extensive consideration will be given to home office and agency functions in the handling of claims and surrenders and the home office investment and property routine involving mortgage loans. A. F. Jaques, claim department administrative supervisor of the Prudential will be general chairman of the session regarding the handling of claims and surrenders. The subject will be treated in an informal discussion and members will present company practices when called upon. President G. W. Skilton, comptroller Connecticut General Life, will open the meeting. The outline of the discussion on claims and surrender procedure follows:

APRIL 22—MORNING

Subject: "Death claims—ordinary routines," chairman, Herbert Adam, assistant vice-president Penn Mutual Life.

A. Branch Office: (1) Preparation of claimant's statement—physician's statement—agency report of "notice of death"—friend's certificate, undertaker's statement, bureau of vital statistics—unusual requirements in certain states. (2) Rules and form of notifying home office of death of policyholder. (3) How early settlements are expedited. (4) Delivery of checks for proceeds and securing releases and policy. (5) Services to beneficiary—converting lump sum settlements into income and annuities.

B. Home Office Routines: (1) Setup of personnel with reference to the allocation of responsibilities. (a) Managerial system. (b) Committee system. (2) Preliminary steps on receipt of proofs of death. (a) Record terminations. (b) Claim register. (3) Consideration of claims for settlement. (a) Medical department's opinion and advice. Coding cause of death. (b) Rejected claims and litigation. (4) Approving claims and settlements. (a) Age adjustments—proofs of age, etc. (b) Preparation of checks and settlements. (c) Filing claim records, claim papers, policies, etc. (5) Calculation of settlement due. (a) Accounting procedure, obtaining policy data, premium dividends, loan indebtedness, etc., and statistical data.

AFTERNOON

Subject: "Special Aspects of Claim Work," chairman, R. C. Neuendorffer, secretary Guardian Life.

A. (1) Investigation and settlement procedure. (a) Home office and field representatives. (b) Commercial agencies and independent investigators. (c) Unusual inspection (large cases). (1) Deaths within the original contestable period. (2) Early deaths after lapse and reinstatement. (3) Questionable "accidental" death claims where double indemnity is involved. (d) Advice to interested companies of claims filed. (2) Methods and practices in regard to policy "lifts" and "compromises." (3) Company practices in allowing fees to attending physician for filling out death claim blanks.

B. (1) Interest on proceeds from date of death to date of settlement. (2) Refund of unearned portion of annual premium—deduction of fractional premiums unpaid. (3) Method of search for "lost" policyholders.

C. Death claim statistics—home office and annual statement purposes.

D. (1) Abstracting, listing, and indexing deferred settlement undertakings. (2) Home office supervision of optional claim settlements, particularly in case of "orphan" business.

APRIL 23—MORNING

Subject: "Disability and Waiver of Premium (ordinary) Routines," chairman, R. D. Taylor, assistant superintendent of claims Sun Life of Canada.

A. Agency functions in connection

Two Wise Women

When old King Lear divided his property and authority among his children, they to care for him in state in his remaining years, he supplied an everlasting example of miserable and desolate age. For the knavish ingrates, two of them daughters, barred their doors against him.

A family was living simply on a farm, one of our New York City representatives says. The widow received \$2,000 from a fraternal society, when her husband died. Her four sons, fearful that she might waste it and they ultimately have none of it, suggested that she give \$500 to each, and live three months of the year with each. Her wise answer:—"An old woman with \$2,000 would be a heap sight more welcome than an old woman with nothing."

Our narrator adds that telling this story to a young, self-supporting woman brought an increase from \$100 to \$400 in the annual premium she intended to pay for a Retirement policy.

The Annuity gives independence and filial care to the aged.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia

The Lafayette Life Insurance Company

LAFAYETTE, INDIANA

OLD LINE MUTUAL LEGAL RESERVE
AGENCY CONTRACTS ON PENSION PLAN
PROFIT-SHARING INSURANCE

As of December 31, 1934

ASSETS		LIABILITIES	
First Mortgage Loans, Real Estate, including properties sold on contract, and Home Office Building....	\$3,520,559.26	Reserves—	
Loans on Company Policies (within their reserve value)	1,395,277.61	For Policy Guarantees....	\$5,326,515.29
Liberty and other Government, State, Utility, etc., Bonds	844,191.51	For Mortality and Investment fluctuation	175,000.00
Stocks, at actual market value	5,200.00	For Depreciation of Real Estate	147,034.66
Cash in Banks.....	153,719.81	For Dividends left on deposit at interest.....	178,284.65
Interest and Rents Due and Accrued	127,118.67	For Dividends awaiting apportionment or payment	67,574.01
Premium Notes (within their reserve value)	132,057.17	For Taxes, etc., accrued, not yet payable.....	41,919.85
Net Premiums in course of collection, secured by policy reserves	69,247.45	Premiums and Interest Paid in Advance	77,136.58
Due from other Companies	682.50	Death Claims due and unpaid	NONE
		Borrowed Money	NONE
		Policy claims for which proofs have not been received	19,946.00
		All other Items and Accounts	20,715.28
		Total Liabilities	\$6,054,126.32
		Unassigned Surplus	193,927.66
Total Admitted Assets....	\$6,248,053.98	Total	\$6,248,053.98

Insurance in Force \$24,447,293

W. W. LANE, Secty.-Treas.

W. R. SMITH, Field Vice Pres.

F. L. ALEXANDER, President

with: (1) Initiating claim and waiver of premium. (2) Claim settlements.

B. Determination of liability: (1) Securing proof. (2) Inspection report. (3) Establishing home office departmental records. (4) Advising other interested companies. (5) Claims—disallowed or postponed. (6) Routine of advising claimant of approved claim.

C. Routine for handling allowed benefits: (1) Lump sum settlement. (2) Instalment settlements. (a) Accounting procedure. (b) Departmental records.

D. Waiver of Premium: (1) Authority. (2) Advice to insured and interested agents. (3) Advice to other interested companies. (4) Accounting procedure. (5) Termination records.

E. Routine in handling group and wholesale insurance claims.

F. Special consideration—disability and waiver of premium: (1) Periodic investigation of claims and waivers by home office staff and commercial agencies. (2) Use of company medical examiners for re-examinations. (3) Use of punch cards for disability and double indemnity statistics.

AFTERNOON

Subject: "Cash Surrender Routines," chairman, A. E. Soutra, assistant actuary Massachusetts Mutual Life.

A. Requests: (1) Pulling of file. (2) Assembling of premium, loan, and dividend data.

B. Calculation of surrender value and quotation to policyholder for approval: (1) Quoting figures. (a) By loan department. (b) By actuarial department. (2) Checking of figures. (3) Preparation of surrender forms. (4) Mailing to insured or agent.

C. Receipt of signed surrender forms: (1) Pulling of file. (2) Assembling of premium, loan, and dividend data.

D. Payment of surrender value and accounting procedure: (1) Drawing and checking of warrants. (2) Surrender statements. (3) Drawing and mailing of check to insured or agent.

E. Termination procedure: (1) Alteration entries: (a) Premium department. (b) Actuarial department.

F. Special consideration: (1) Conservation efforts—general. (2) Conservation, "orphan business" (in which no agent is at present interested). (3) Conversions to income settlement and annuities. (4) Commissions on replaced business.

No Possibility of Printing Press Currency Inflation

(CONTINUED FROM PAGE 3)

If inflation should come there is nothing that offers any better haven for invested funds than life insurance, he pointed out. Stocks require an experienced and active investor if loss is to be avoided; real estate requires carrying charges which may eat up profit; commodities would probably be subject to a maximum government-fixed price if the cost of the necessities of life showed signs of getting out of hand.

Mr. Linton said he was not worried about public utility legislation. Life insurance companies own virtually no holding company security and as long as the United States has its present form of constitutional government there can be no confiscation of private utility properties.

Proposed Insurance Code for Arkansas Is Now Dead

The proposed Arkansas insurance code has been reported out unfavorably and therefore is dead. This is the first state to fail this season in an attempt to put across a complete recodification of its insurance laws. The main opposition came from the reciprocals which objected particularly to the provision that would have required them to keep a separate account for each subscriber. The lumber reciprocals are quite strong in Arkansas.

New Kentucky Home Mutual

Following the final approval of the petition of the Kentucky Home Life for mutualization, amended articles have been filed in which the name of the company is changed to the Kentucky Home Mutual Life.

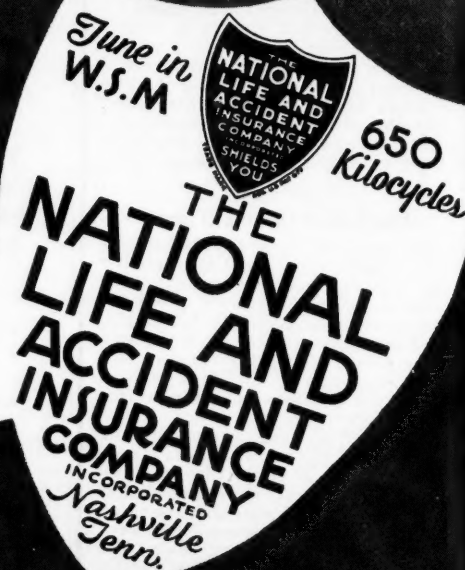
The holdover officers and directors are functioning until permanent officers and directors can be named.

The NATIONAL has paid

—Over ONE HUNDRED MILLION DOLLARS to Shield policyholders and their beneficiaries since its organization.

—last year the Shield company distributed approximately TWENTY THOUSAND DOLLARS each working day to Shielded millions.

A great 34 year record for service by a great service giver.



Numerous Changes in Field Made by Berkshire Life

OFFICES ARE CONSOLIDATED

Brooklyn, Cincinnati, Kansas City, Louisville, Indianapolis, Cedar Rapids, Davenport, Knoxville Are Affected

Announcement is made by the Berkshire Life of numerous changes in its agency setup, including a number that have not heretofore been officially announced. Several agencies are being consolidated in line with the company's policy of more concentrated development and supervision. In other cities there is a change of general agents and in still others announcement is made of the resignation of general agents but successors have not yet been appointed.

The general agencies that have been maintained for several years at Cedar Rapids and Davenport, Ia., have been closed and their affairs transferred to Des Moines under General Agent A. H. Peterson. This was the original setup of the company in Iowa.

In Missouri the Kansas City agency has been consolidated with that in St. Louis under General Agent C. C. Wagner. J. W. Lawrence, Kansas City general agent, has become general agent for the Bankers Life of Nebraska.

Robert Appel and Earle Grabfelder, general agents in Louisville, have resigned and the office in that city is being maintained under J. B. Hutchins. E. H. Hurst has resigned as general agent at Knoxville but is continuing with the company as a personal producer. Collections of the Knoxville business will be made through the Louisville office.

Alden C. Palmier has resigned as Cincinnati general agent and N. B. Magoffin has resigned as Indianapolis general agent. The offices in those cities will be maintained as collection agencies until new general agents are appointed. Temporarily, the business will be serviced by M. A. Hurley at Indianapolis and F. J. White at Cincinnati.

In New York, the Brooklyn agency is being transferred to the W. M. Carroll, Jr., agency at 225 Broadway. The two other New York agencies are not affected, they being R. A. Van Alst, Jr., and S. S. Wolfson.

The company is not withdrawing from any of the states in which it is licensed.

MAKE NEW CONNECTION

LOUISVILLE, March 21.—Robert Appel and Earl Grabfelder, who have resigned as general agents of the Berkshire Life at Louisville, have arranged to become district agents for the Connecticut Mutual Life, while Mr. Appel will also continue the fire and general lines agency known as Klein & Appel.

Will Move to Montclair, N. J.

Bankers National Life to Establish Home Office in the Suburban City—Buys Building There

The Bankers National Life of New Jersey has purchased the former Montclair, N. J., Elks' Club and will occupy it as a home office about June or July, when extensive alterations have been completed. The new building will provide space for growing office requirements. It occupies an attractive setting in the suburban community. The change is regarded as a welcome one by the company and the town of Montclair. Officers of the Bankers National were guests at a reception given by the mayor and the Chamber of Commerce following the closing of the deal.

The building was erected in 1925 at a cost of \$250,000. The purchase price was not disclosed but it is understood that the Montclair Trust Co., which acquired the property, was holding it for \$105,000. Alterations will cost \$25,000 or \$30,000.

Public Is Not Misled by Sophistry of Day—Coler

The recent remarks of Wendell P. Coler, actuary of the American Central Life, before the Indianapolis Life Underwriters Association, were somewhat misinterpreted by THE NATIONAL UNDERWRITER.

"Great as the uncertainties are today about money, inflation, government, economics and many other such things which we do not ordinarily think about so much," Mr. Coler did say, "the American people keep their confidence in life insurance. A study of the business of our own company shows a steady decrease in term insurance throughout the depression and an increase in insurance with old age benefits like our guardian life income policy which provides insurance to age 60 or 65 and a life income thereafter. I keep my faith and pin my hopes in life insurance like the American public does. The principal reason is, of course, that nothing else seemingly can be depended upon."

Toward the close of his address was this paragraph: "There is much sophistry abroad about the futility of saving and the economic advantages of spending. One would think to hear some

people talk that the only plan of insurance we should be selling today is term. It is a tribute to the essential soundness of the planning and thinking of the American public that insurance companies still find a great deal of interest in protection for old age and for death, both of which, as exemplified in practically all of our policy forms, are combined with thrift. In 1931 I told the general agents and managers' association in St. Louis about a questionnaire sent out by the Acacia Mutual: 42 percent of those replying asked about a monthly income for old age; 16 percent wished information about limited payment life policies; 19 percent asked for facts concerning the term policy to age 65. Eighty-one percent evinced an interest in insurance payable in installments. I feel sure, from the trend of the business of the American Central, that the percentage would be even higher today. The fact that there is so much interest in security—so called—on the part of politicians will lead eventually to an expansion of our business."

The interesting conclusions on the favorable bearing of the marriage rate upon the purchase of life insurance in St. Louis which Mr. Coler presented by a chart were based on information obtained from Real Estate Analysts of St. Louis.

LEGISLATIVE DIGEST

Utah—Bill extending Utah recovery act which covers insurance is passed by both houses and is expected to be signed by the governor.

Minnesota—Companies are backing bill to require the state insurance commissioner to publish list of companies operating in the state without license in newspapers in every county.

Minnesota—Life insurance beneficiaries would receive premium payments in excess of actual mortality costs in addition to the amount of the policy under proposed legislation debated at public hearing of the Minnesota house committee on insurance. Measure strenuously opposed by companies.

Pennsylvania—Insurance bills getting more attention. Hearings are being held.

Maryland—Bill sponsored by life agents requires examination by state insurance commissioner of all prospective life salesmen.

Ohio—Senate passed bills permitting fraternal to insure children of any age.

"Salary Continuance to Age 65"

A New Policy To Serve The LIFE-TIME Needs Of Your Clients.



Check These Points

- ✓ Maximum coverage at minimum cost.
- ✓ A definite plan to protect and replace income.
- ✓ Cost is same at all ages.
- ✓ Non-medical conversion privilege until age 55.
- ✓ Minimum income guaranteed.

"Salary Continuance to Age 65" is a new policy to provide a monthly income to dependents in event of premature death of the insured. Income begins at death and continues until insured would have been 65 years of age.

For full particulars regarding submission of business on this plan, return coupon below.

FEDERAL RESERVE LIFE INSURANCE COMPANY

Kansas City,

Kansas

I am interested in learning more about your new Salary Continuance Policy.

Name

Street

City

Revamp Missouri Code, Cut Out Fraternal Supervision

JEFFERSON CITY, MO., March 21.—Unless there is a last minute switch in the plans of the Missouri senate's insurance committee Superintendent R. E. O'Malley probably will not recognize his proposed new Missouri insurance code when that committee makes its report on the measure within the next few days. In fact the very life of the measure hung in the balance just a few days ago at a meeting of the entire committee.

One thing seems absolutely certain at this writing, and that is Superintendent O'Malley is going to lose his fight to obtain official supervision over fraternal and town mutuals. The powerful political influence wielded by the fraternal, which claim 700,000 members in Missouri, has apparently been too much for the senate committee to withstand. A sub-committee of the senate insurance committee is now engaged in the task of rewriting the insurance code bill. This sub-committee has been instructed to eliminate the fraternal and the mutuals from the code.

Retain Investment Provisions

The more stringent provisions for control over the investment of legal reserve life insurance companies and other provisions to eliminate speculators and other irresponsible persons from the field of insurance company ownership and management will be retained.

The senate is expected to eliminate the insurance department's proposed change in the suicide clause relieving life and health and accident companies from paying claims if the assured commits suicide within one year after the policy is issued, whether sane or insane. Other changes intended to clarify the insurance statutes and to wipe out conflicting provisions will be retained.

Texas Senate Refuses to Return Anti-Rating Bill

DALLAS, March 21.—The Texas senate so far has declined to comply with the suggestion of Alfred M. Best that the anti-rating bill favorably reported by the committee be returned to that committee for further study. The bill is on the senate calendar close to the top. A similar measure has been favorably reported in the house. Mr. Best sent a telegram to every member of the Texas senate declaring that the proposed measure is unconstitutional, is a stab at the freedom of the press and that its enactment probably would result in losses to the people since it would prevent the proper rating of insurance companies which furnish statements with a view of selling insurance rather than on a basis of facts. In the message to the senators Mr. Best said the Texas insurance commissioner is the only one who will not furnish him with information about insurance companies.

Circularizes Daily Press

Mr. Best also circularized the daily press of Texas, especially the big dailies, urging that the publishers give consideration to the proposed anti-rating measure, a copy of which he sent them. He told the publishers the proposed measure was directed at a branch of the press and that if it is adopted it might not be long until the daily press is regulated by politicians for political purposes.

Mr. Best advised the publishers that the rating of insurance companies is absolutely essential to the welfare of the public because if it is not done some of the insurance companies would place misstatements in the hands of the people for the purpose of selling insurance and collecting premiums.

He did not hesitate to tell the publishers this is being done and that if the rating bill is enacted into law there

probably would be more of such practices. He declared with proper rating the insurance companies are shown up for what their financial condition really is rather than for what they claim it is. Since Mr. Best sent his letters to the publishers some of those papers have come out for the anti-rating measure and the regulation of rating concerns.

Voluntary Lien Plan Held Illegal in Illinois Ruling

The Illinois attorney general has rendered an opinion to the effect that any plan by which it is sought to get policyholders of a going company to accept a voluntary lien on their policies is illegal in that state.

The ruling will affect the American Bankers, which has been endeavoring to secure the approval of its policyholders to such an arrangement, and it is understood may also affect one other small Illinois company.

New Indictments Returned

H. W. M. Gamble, former president of the Republic Mutual of Denver, now in receivership, and five other former officers and employees have been indicted on charges of conspiracy to commit a confidence game, obtaining property by false pretenses and selling corporate stock by a cheating and swindling transaction. Among the others indicted is E. A. Patrucco, former sales manager.

The company was organized by F. A. Heath and E. W. Larson, who are under indictment in connection with alleged fraud in the affairs of the American Life of Denver.

Thomas S. Pointer, who has been appointed general agent for the Home Life at Denver, succeeding Arthur A. Butler, transferred to Chicago as general agent, has been in the life insurance business since 1928 and has made an excellent

Centenary Celebration Is to Draw Host of Agents

BOSTON, March 21.—The first charter for a mutual life company in the United States granted by Massachusetts to the New England Mutual Life of Boston on April 1, 1833, will be the basis of unusual centenary exercises by the company the first week in April. An agency convention will be held April 1-3, with a sales seminar for qualified agents April 2-5. An outstanding feature of the celebration will be a banquet for over 1,000 guests the evening of April 1.

General agents from all over the country are expected to attend, and a large number of outstanding agents who have been in qualifying tests. Outstanding agents of the New England Mutual will address the gathering on sales promotion topics during the three-day convention and other outstanding insurance leaders will be in charge of seminars.

President George Willard Smith is to be toastmaster at the banquet to be held in the Copley-Plaza hotel. Among speakers will be Governor James M. Curley of Massachusetts, speaking for the commonwealth; Owen D. Young, president General Electric Company, speaking for business, and F. H. Ecker, president Metropolitan Life, representing life insurance.

record in the mountain states. Prior to this, he was in the automobile business, first in the south, later in mountain territory. In 1928, he started as an agent with the Northwestern National and the next year went with the Penn Mutual as supervisor in Denver. In 1931, he was appointed manager for Colorado and Wyoming for the California Western States Life, but the next year returned to Penn Mutual. He comes of a life insurance family, his father having spent 43 years and his brother 17 years in the business.

MAGNA CUM LAUDE!

HIGHEST praise to the hundreds of Jefferson Standard representatives who carried their Company to the very front ranks in 1934 scores!

In the group of United States companies, having insurance in force between one hundred and fifty and four hundred million, the *Jefferson Standard* ranked first

in percentage of gain in insurance in force.

In the group of United States companies writing ordinary life insurance only, (\$150,000,000, or more, in force) the *Jefferson Standard* ranked second in percentage of gain in insurance in force.

A. R. PERKINS, Agency Manager

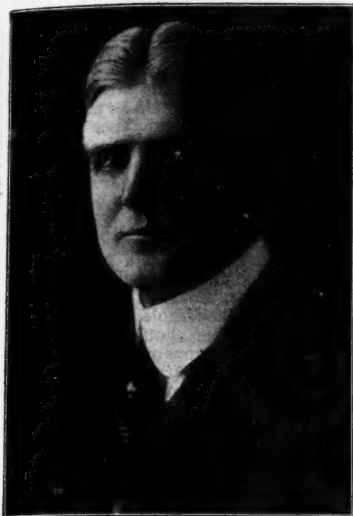


Jefferson Standard

Life Insurance Company

JULIAN PRICE, President
GREENSBORO, NORTH CAROLINA

Clark Is Honored



ERNEST J. CLARK

Ernest J. Clark, until recently president of the American College of Life Underwriters, now chairman of the board, was honored at a dinner meeting held jointly by the Baltimore Life Underwriters Association and the Baltimore chapter of C. L. U. Plans had been made months in advance to permit officers and directors of the college from various parts of the country to be present in paying tribute to Mr. Clark for the many years of faithful and unselfish service he has rendered in advancing the cause of professional life underwriting. Dr. A. H. Krug, president Baltimore association, presided. W. P. Stedman, Baltimore, a director of the college, introduced speakers. J. S. Myrick, a director and manager Mutual Life of New York in New York City, spoke of early history of the college. Dr. S. S. Huebner, who succeeded Mr. Clark as president of the college, was a speaker, and presented Mr. Clark on behalf of the board a silver tray, signed by the directors and suitably inscribed.

Hobbs Measure Is Assailed at Hearing in Washington

(CONTINUED FROM PAGE 1)

Mr. Hobbs declared that although the bill is not aimed at the organizations in the federation, they would be made the "goat" because the persons insured are those who travel from state to state and whenever a policyholder sought a renewal the company would have to meet the requirements of the state in which he happened to be located at the time.

Opposition was also expressed by Henry P. Magill of the National Mutual Church of Chicago; James E. Baum of the American Bankers Association; R. M. Redmond, Chicago insurance broker, and former Congressman Nolan, appearing for the Minnesota Commercial Men's Association.

Another hearing will be held March 28.

SENFF URGES SUPPORT

FRANKFORT, KY., March 21.—Commissioner Senff is appealing to Kentuckians to write their congressmen and senators for support of the Hobbs bill.

Must Pay Premium Tax

LITTLE ROCK, March 21.—The Arkansas supreme court has held against the Central States Life of St. Louis, in opposing payment of the 2½% premium tax on the business of the former Home Life of Arkansas, which was acquired in 1931 under a reinsurance agreement. The decision carried judgment of \$28,349 in favor of the state.

Report Carpenter Is Slated as California Commissioner

PROMINENT INSURANCE MAN

Commissioner Mitchell Still on Job and Friends Insist He Will Remain There

SAN FRANCISCO, March 21.—Unconfirmed reports from usually reliable sources in Sacramento are that S. L. Carpenter, veteran Los Angeles insurance man, is to be appointed insurance commissioner. It was stated that Governor Merriam had made this selection and the name would be presented to the legislature for confirmation this week. Mr. Carpenter's name has been under consideration ever since the governor assumed office, but for a while he was considered "out of the running." However, he has stirred up very little or no opposition from specified interests, which has been very active in the case of most of the candidates suggested.

Until recently Mr. Carpenter was president and general manager of the Rule & Sons general agency in Los Angeles.

It was expected last week that the governor would appoint Rex Goodcell, prominent Los Angeles attorney, former director of the West Coast Life, brilliant speaker and former federal judge. It was said at that time that Mr. Goodcell was quite acceptable to all factions in the insurance business. When asked about it, the governor dismissed the entire subject with: "I am making no appointments at present."

Commissioner Mitchell is still at his desk and some maintain, even after the Carpenter report, that he will continue for some time.

EXPECT MASSACHUSETTS CHANGE

BOSTON, March 21.—A radio broadcast from the state house, which is presumed to express the personal views of the governor, stated that Commissioner M. L. Brown would not be reappointed when his term expires April 4. A little known Boston politician was named as the probable appointee.

EXPECT KENTUCKY APPOINTMENT

LOUISVILLE, March 21.—It is generally believed in insurance circles that Governor Laffoon will name a new insurance commissioner within the coming week. The appellate court has now upheld the Franklin county circuit court's decision that the ouster bills of the last legislature were legal. They take appointment of the commissioner out of the hands of State Auditor Talbott and put it in the hands of the governor.

It has been understood that Commissioner G. B. Senff who has made an excellent record in the office, will become chief deputy at a larger salary under the new law than was paid the commissioner under the old program.

One of the latest names mentioned for commissioner is McKay Reed of Reed & Reed, Louisville, general agents of the John Hancock Mutual Life. He is understood to have strong political backing.

Hold Illinois Code Hearing

More than 50 insurance men were on hand for the hearing on the Illinois code before the senate insurance committee at Springfield Wednesday afternoon, making it necessary to hold the hearing in the senate chamber instead of in the committee room as originally planned.

The hearing was quite lengthy, continuing until early in the evening. The afternoon was taken up by representatives of insurance companies other than life, being devoted mainly to the local mutuals and to marine insurance.

The hearing on the proposed Illinois insurance code before the house as a committee of the whole has been postponed from the morning of March 27 to the morning of April 10.



Sidetracked... because his dad didn't leave money every month

YOU CAN LEAVE your family an income of \$100 EVERY MONTH if you're earning \$45 a week or more

To keep your family together... to cover the most painful month after month expenses... to see your children through school—\$100 a month for those most important 20 years! Then a fund to support your wife as long as she lives! These and other vital kinds of protection are gathered together in the new Multiple Protection Plan which you can afford.

UNION CENTRAL LIFE INSURANCE COMPANY

Getting down to cases!

HERE is insurance advertising that talks plain facts... to make men see their families' continuing need of money every month... to answer their problem of providing it.

For the plan this advertising sells is the Multiple Protection Plan — and, briefly, this is what it offers:

"To keep your family together... to cover the incapable month-after-month expenses... to see your children through school — \$100 a month for those most important 20 years! Then a fund to support your wife as long as she lives! These and other vital kinds of protection are gathered together in the new Multiple Protection Plan which you can afford."

The new advertising on the Multiple Protection Plan is now in full swing (full pages in The Saturday Evening Post and Time). Already more than 17 millions of dollars in applications have been written on this new Union Central policy which is only five months old.

The UNION CENTRAL Life Insurance Company

CINCINNATI

AMERICAN CENTRAL LIFE

INSURANCE COMPANY

ESTABLISHED 1899

INDIANAPOLIS, INDIANA

An exclusive type of high-renewal, life-income building agency contracts and exceptional opportunities for both producers and organizers are available today in Illinois, Indiana, Michigan, Ohio, Missouri, Kansas, Oklahoma and Texas.

THE VOLUNTEER STATE LIFE INSURANCE COMPANY

RICHARD H. KIMBALL, President

Home Office: Chattanooga, Tennessee

THIRTY-SECOND ANNUAL STATEMENT— DECEMBER 31, 1934

ASSETS

Cash in Banks	\$ 679,490.99
Bonds	3,368,861.43
Stock	54,530.00
Mortgage Loans—City Property.....	\$3,145,822.00
Farm Property.....	1,349,644.77
Policy Loans	4,495,466.77
Premium Notes and Liens.....	6,828,604.11
Real Estate (Including Home Office).....	1,615,971.04
Accrued Interest—Net Unreported Premium and Other Assets	4,208,397.13
Other Assets	680,600.27
Total Admitted Assets	\$21,931,921.74

LIABILITIES

Regular Policy Reserves.....	\$19,290,138.00
Reserve for Claims Being Paid In Installments.....	492,978.00
Reserve for Taxes	86,805.69
Interest and Rent Paid in Advance.....	203,888.39
All Other Liabilities.....	366,335.87
Borrowed Money	None
Reserve for Dividends to Policy Owners.....	\$ 43,365.69
Reserve for Contingencies.....	448,410.10
Surplus	500,000.00
Capital	500,000.00
Funds for Protection of Policy Owners in Excess of Legal Reserve	1,491,775.79
Total (Balance with Admitted Assets)	\$21,931,921.74

INSURANCE IN FORCE \$103,324,633

Motivation Talks Given in Congress

(CONTINUED FROM PAGE 1)

I've earned a lot of money in the years that have passed since that time. I've figured out that perhaps 30 percent of what I earned was used for living expenses. Today I have about 10 percent of my life's earnings. That 10 percent I've saved. It represents the money I've accumulated during my life.

"Of all my earnings I spent 30 percent and I saved 10 percent. That's 40 percent accounted for. Do you know what happened to the other 60 percent? The 60 percent went to pay for the experience I've gained during all those years. My experience cost six times as much as the money I have now and here I am trying to make a will to leave my valuable possessions to my son. If I can't find some way to pass some part of my experience along to my boy, I will feel that my will ignores my most valuable possession. The property we leave our families is not half so important as teaching them and helping them to use that property after they get it."

Hazard of Discretion

Illustrating this point, Mr. Lovell related a story of a man who left his estate to two daughters, one conservative and level-headed, the other a flighty and impractical type. The former was allowed considerable discretionary powers, while the latter's share was tightly tied up. Unforeseen problems confronted the older, more conservative daughter, and today she is almost destitute while the other is still receiving a constant income.

Mr. Lovell told of a young advertising copywriter who made a good salary but died young and left a general estate which was insolvent. However, he had a very good life insurance estate well programmed, divided between the insurance trust and the settlement option plans.

Surrogate L. D. Howell of Nassau county, N. Y., and the Rev. Allen A. Stockdale, D.D., pastor of the First Congregational church of Washington, D. C., related incidents from their personal experiences showing vividly how the presence or absence of adequate life insurance affects those who are left behind when a man dies.

Sales Talk Recordings

The use of slides coordinated with phonographic recordings to demonstrate the best methods of closing sales was shown through cooperation of Advertising Film Associates, Inc. This feature was introduced by A. V. Youngman of the Mutual Benefit Life, chairman of the program committee, who pointed out the life insurance men are competing with the makers of electric refrigerators, automobiles, and other merchandisers. While the sales presentation in the film was made by the LaSalle Extension Institute for the General Electric Company's refrigerator sales force, Mr. Youngman emphasized various points in the sales process which are directly applicable to life insurance selling.

The particular merit claimed for the slide-sound combination is that it multiplies the efforts of the best salesman presenting the best sales talk. While the cost is less than talking movies, the results are asserted to be better, because there is no motion in the pictures to distract the hearer from the spoken message.

Announces Membership Record

In his opening speech, General Agent J. M. Fraser of the Connecticut Mutual Life, president New York City association, announced that the organization's membership had reached 1,356, compared with 1,131 for the same date last year. He congratulated the membership committee, of which J. D. Bookstaver, general agent Travelers, is chairman.

Mr. Fraser reviewed association work, publicity in financial independence week last year, enlarging of the executive com-

Creative Individualism Is Urged by T. M. Riehle

SALT LAKE CITY, March 21.

—A keynote for creative individualism was sounded by President T. M. Riehle of the National Association of Life Underwriters at a special sales conference here of the Utah Life Underwriters Association. "I see in the present insecurity of the average American not an argument to prove that the only solution of these problems is by way of taking them out of the hands of individuals who have failed to provide sufficiently for their own financial future, and throwing the whole responsibility over onto the shoulders of a socialized government, but, rather, a tremendous incentive to every American citizen who wants to find himself, eventually, not the parasite of protecting liberalism, but the creature of his own creative individualism."

Commissioner E. A. Smith, Jr., spoke on current insurance problems.

mittee to 50 members, with past presidents no longer becoming permanent members, but field men assured a majority of five votes; establishment of a speakers' bureau and printing of a 12-page booklet listing available speakers and subjects; association advertising, formulation of advertising which will appear in the New York "Herald Tribune" April 10 containing names of all members; the two-day sales review course in January; the executive committee's resolution opposing part-time agents in the five New York City boroughs; ladies night, and the "gamblers' orgy" in which prizes were given those winning the largest amounts in bogus money.

L. N. Whitelaw, field instructor Prudential in greater New York and chairman of the association's library committee, described results of a questionnaire sent out to members a year ago. The blanks contained 60 spaces for answers to test questions, and also space to fill in general information. The plan was not to devise a psychological test or thorough job study but to get at various trends that were causing men trouble in their production. Good producers in general had good mental attitude and enthusiasm for their work. Prospecting was one of the most important points on which otherwise good salesmen fell down, the answers indicated.

Vash Young in Talk

Complex and detailed sales presentations serve only to give the prospect more time to think up objections, said Vash Young of New York, million dollar producer Equitable Life of New York. A simple sales talk, without subterfuge, based on universal need for money is the most effective sales-getter. "All have enough knowledge of life insurance to be million dollar producers. More important than writing business is the ability to keep going in the face of adversity."

I. S. Kibrick, agent New York Life in Brockton, Mass., stressed importance of the human side as opposed to the technical. While believing in a thorough knowledge of life insurance, he deplored the use of such knowledge as a sales device. S. W. Sturm, veteran agent Mutual Benefit Life in Cincinnati, dealt with the need of being interesting to one's clients, of honesty in presenting all aspects of life insurance, and of giving service freely where it is needed.

Blanks Committee to Meet

The blanks committee of the National Convention of Insurance Commissioners will hold a meeting at the Hotel Commodore in New York the first week of May. W. A. Robinson, actuary of the Ohio department, is chairman of the committee.

Economic and Social Trends Viewed by Cleary and Ream

TOO MUCH INFLATION TALK

Life Companies Trustees of Savings of Millions Not With Corporations —Ketcham Talks

The effect of present economic and social trends on life insurance was viewed at the All-Michigan sales congress in Detroit by M. J. Cleary, president Northwestern Mutual Life, and G. Franklin Ream, superintendent of agencies Mutual Benefit Life. "Too many of us have taken no part in politics," said Mr. Cleary. "We should all recognize that it is our job as well as that of every good citizen or group of citizens to do what we can to clear up the political fog that hangs over us. Let us drive home to our legislators the fact that the life insurance companies are not rich corporations but are trustees of the savings of millions of people in this country. Let us not forget that the average policyholder has less than \$2,000 of insurance."

Criticizes Paternalistic Attitude

"You can not justify laws that say that individuals or corporations can not force their debtors to meet their obligations. I was brought up to believe that it is every man's duty to support himself and his family. The paternalistic attitude of the government has tended too much to the idea that 'you can support yourself and your family if you want to, but if you don't feel like doing it, then we will support you.'"

"Don't be too much concerned over the talk of inflation. Some persons point to the results of the severe inflation in Germany and Austria, but they fail to realize that conditions in those countries at the close of the war could never be duplicated in this country. Our industrial structure is intact. We have everything out of which to climb again to prosperity. We have only one disturbing factor, the mounting internal debt. If we will preserve the rugged, pioneer spirit that built this country, we will be able to pay this debt even though it increases materially."

Points to France

"It is more logical to believe that should we have further inflation it will be more like that of France, where the highest average rise in commodity prices was 126 percent following inflation, while some major commodities actually dropped. If the beneficiaries of our policies don't like the weight of the dollar when the policies mature, they are privileged to leave the proceeds on deposit with the companies at interest until the value of the dollar increases. Bear in mind the fact that no severe inflation can last longer than a few years."

The country stands at the cross roads today and is wondering what will be the trend of the times, Mr. Ream declared. Inflation in foreign lands, where new political and economic doctrines are being promulgated, is making itself felt in our own national life, he said. In this country new doctrines are being advocated that can be traced to the unrest that characterizes the national life today. This is a time when intelligent men should examine carefully the influences that are being exerted.

Commissioner Ketcham Talks

Commissioner J. C. Ketcham of Michigan paid tribute to the scope, spread and power of the insurance business in Michigan. Life insurance is a tremendous stabilizing factor, he declared. "The old age pension is by no means a complete answer to the retirement problem. Life insurance is sorely needed in this field. Our young men feel keenly the necessity for adequate protection and retirement provision. They do not want

to be dependent on the old age pension for support in their declining years. They prefer to be self-supporting."

New Code Permits Aviation Restrictions in Policies

Restrictions on aviation in life insurance policies are not forbidden by the new Illinois code, contrary to an erroneous statement made last week. Under section 214(3) of the code on the incontestable clause, a provision is permitted relating to engagement in aviation, limiting the liability of the company to a definitely determinable reduced amount, which shall not be less than the full reserve for the policy and any dividend additions. Aviation restrictions on total and permanent disability and additional insurance against death by accident are also permitted.

It is the incontestable provision in group insurance, section 220(1) that fails to except aviation hazards.

Camps to Speak in Cleveland

Manuel Camps, Jr., general agent Penn Mutual Life in Boston, who is a speaker at the Northeast Ohio Sales Congress March 23, will address the Cleveland supervisors group the same day on "Organized Sales Talks."

Mutual Aid Societies Back Uniform Control Measure

TO DEFEND ARRESTED AGENTS

Case in Indiana to Test New Non-profit Law Which Would Check Benefit Outfits

The National Association of Mutual Societies has prepared a uniform state bill which it is proposed to introduce in every state in an attempt to secure uniform control over aid societies.

An announcement sent out from the national headquarters of the aid societies in South Bend, where E. J. Becker of the American Aid Society is supervising the organization work, states that the uniform bill has been sent to all members of the national association with the suggestion that it be adapted to the legal situation in their respective states. Arrangements have been made to present the bill at the next session of the Florida legislature.

The mutual aid societies have also been asked to refer to the secretary at South Bend all cases of the arrests of their agents for solicitation without li-

cense in any of the states. The executive committee of the national association has been authorized to "take whatever action it deems necessary for the benefit of any and all" societies, in the matter of the arrest of agents.

In the meantime, status of the mutual aid societies organized under the Indiana non-profit law is waiting upon the decision of the state supreme court in the test case against the National Colored Aid Society. Indiana has passed a revised not-for-profit act this year, which prohibits the further organization of non-profit aid societies of the type now in existence, and which requires all not-for-profit organizations hereafter organized for any purpose to make regular annual reports to the secretary of state.

Weekly Production Records

Seven consecutive weekly production records are being added to with regularity by seven representatives of the Lincoln National. O. F. Gilliom, general agent in Berne, Ind., with 1,061 weeks, heads the list. Next is D. E. Peavy, Beaumont, Tex., with 717; C. B. Rittenberry, Amarillo, Tex., 675; S. H. Annis, Detroit, 666; W. B. Gorbey, West Alexander, Pa., 587; L. R. Lay, El Paso, 522; and S. G. Duckworth, Canton, O., 508. Fifteen others have been on the list for 100 or more weeks.


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MAKING A GOOD LIVING ?

IF NOT—

Do you know definitely—and exactly—how much work you should do—daily and weekly—to be sure of the income that you must get somewhere?

YOU OUGHT TO KNOW— AND YOU CAN KNOW TOO!

Minnesota Mutual has prepared a special individual Formula Form through which you can determine the question for yourself.

A word will bring it to you

Write

Harold J. Cummings, Vice-President

THE MINNESOTA MUTUAL LIFE INSURANCE CO.

Saint Paul

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Overcoming Fright Before "Big Fellow"

THE "ACCELERATOR," house organ of the BOSTON and OLD COLONY, of which R. C. DREHER is editor, recently published some helpful advice to agents who are nervous in approaching the executive in the front office whose manner is frosty. Something akin to stage fright, Mr. DREHER remarks, prevents many agents from making customers of these big buyers.

He says they are not really so hard to see or sell. Many agents find they are easier to sell than the average prospect, because they are big. They ignore petty things and grasp important details quickly. At the same time the big fellow is on guard, "with a variety of trap doors, sliding panels, etc., for easing the unwary or uninformed agent out of the door. These are defensive tactics built up for protection."

"Yet basically, the big fellow is human and there is no need to treat him otherwise—no need of being scared, of being self conscious, of any negative auto-suggestion. The agent should keep his head, know the answers and mix sound insurance ideas with human interest.

"Behind the rigid, all-business surface, the big man is a salesman at heart. He admires good salesmanship and nothing pleases him more than an outstanding example of it."

The big man is likely to have a "dead" attitude at first. He will shake hands limply and mumble "How do you do." This is really a pose and should be recognized as such by the agent. This attitude puts the skids under those who desire to deliver high pressure talk.

However, if the agent has something

to offer that is of vital interest to the big fellow's business, he can break through the pose. He should make his presentation short and to the point and then leave, having paved the way for a later call.

Some executives will adopt the tactics of doing the talking themselves. They will turn the argument from insurance to the prospect's own product. The agent should counter by bringing the subject back to insurance immediately and with a jerk.

One thing that helps greatly in meeting the poses of the big fellow is an insurance survey. It gives the agent an opportunity to show the prospect something that will leave him with something to think over. It is likely to impress the big fellow with the fact that the agent is an insurance counselor and an authority on the subject.

"In other words, go after the big fellow fully prepared," MR. DREHER advises, "and recognize the pitfalls and skids when you see them ahead. Take the opportunity-hurdles like a thoroughbred. Be natural, be sincere, be constructive, be purposeful. Know what you are talking about. Have something to offer. Be tenacious. Be imaginative. Be human. Pave the way for another interview. It is the custom-made sales arguments, not the general sales talk, that move the big man to sign up. Be yourself and render a real service—and you'll win the respect of both big and average insurance buyers."

That is sound advice. It should inspire confidence on the part of the agent in his contact with the vice-presidential row.

Older Men Important

At the KANSAS CITY, Mo., sales congress, B. A. HEDGES, KANSAS manager of the BUSINESS MEN'S ASSURANCE, asked for a show of hands of men who came into the business since Jan. 1, 1934, and about 10 percent responded. Another show of hands was asked of those who entered the business between 1930 and 1934 and another 20 percent responded. Mr. HEDGES said this contradicts the

reports that the old timer is slipping and going out of the business. Although one test such as this may not be conclusive, it does indicate that the old man is still playing an important part in the business and should be considered in all plans for agency management.

"NAGS are all right if they can make men take the high jumps in life."

PERSONAL SIDE OF BUSINESS

Charles E. Gauss, who retired as Michigan commissioner with the change of administration Jan. 1, is now a candidate for mayor of his home city, Marshall, on the Democratic ticket. He was drafted for the nomination.

A committee of the Insurance Federation of Minnesota is making plans for a dinner in honor of Garfield W. Brown, retiring insurance commissioner, and his successor in office, Frank Yetka. Insurance men from all over the state will be invited.

Dr. J. W. Johnson, president Interstate Life & Accident of Chattanooga, is in Florida for six weeks, recuperating from a recent illness.

Henry A. Smith, general agent State Mutual Life at Lowell, Mass., celebrated his 74th birthday while in Orlando, Fla. His agency presented him with \$74,914 of life insurance and \$56,129 of retirement annuities in a production drive. Mr. Smith has been with the State Mutual 42 years.

A. A. Dewar, Los Angeles manager for the Equitable of New York and president of the Life Managers Association of Los Angeles, has been elected a director of the Better Business Bureau of Los Angeles.

Charles E. Becker, president of the Great American Life of San Antonio, who is on an extended trip abroad with Mrs. Becker, has been taking in the Egyptian sights, including a five days' trip on the Nile. Thence they headed for Jerusalem.

Charles Cutter, assistant superintendent of agencies of the Union Mutual Life of Maine, is back on the job, after having undergone an appendectomy at the Maine General Hospital.

President Chandler Bullock of the State Mutual Life returned recently from a vacation trip with Mrs. Bullock through Mexico.

The trip, much of which Mr. and Mrs. Bullock spent in Mexico City, took them as far south as Cuernavaca and as far east as Vera Cruz, and included visits to Toluca and Tlaxco and Puebla. Mr. Bullock, who is interested in archeology, spent a good deal of time going to places containing remnants of the ancient Mexican civilization.

"One thing which appealed greatly to me," said Mr. Bullock, "was that Mexico has not yet been spoiled by tourists, which will probably happen to some extent when their great new international highway is completed."

"I was interested also to see," he continued, "that in spite of its low cost of living, Mexico seems to be coming up, from an economic point of view."

The St. Louis agency of the Equitable Life of New York gave a surprise farewell luncheon for I. B. Jackson, who has just completed ten years with the Equitable, four as assistant manager in St. Louis, and becomes associate manager Massachusetts Mutual in Cincinnati.

Ripley's "Believe It or Not" featured Frank D. Hill of Richmond, Va., who used the same fishing rod for 40 years and caught 30,578 fish. Mr. Hill is treasurer of the Life of Virginia.

The Wichita agency of the Northwestern Mutual broke all records for number of agents in production, number of applications sold, and volume of business in any one month, during February. A campaign was inaugurated by John N. Floyd, Arkansas City, Kan., president of the Wichita Agents Association of the Northwestern, in honor of P. M. Anderson, who attained his 70th birthday Feb. 11. Mr. Anderson has represented the Northwestern in Wichita and western

Kansas 48 years. His contract is the fourth oldest with the Northwestern.

Henry W. Laffer, general agent in Wichita, held a meeting to celebrate the record. A portfolio including letters and telegrams congratulating Mr. Anderson was presented to him.

Mannie Morgenstern, newly appointed manager of the Shorewood district of the Metropolitan Life in Milwaukee, was guest at a dinner given by agents of his office, with 60 in attendance.

Col. H. P. Dunham, insurance commissioner of Connecticut, made a brief visit to Chicago and Springfield, Ill., last week.

L. A. Hanley, manager of the southwest Texas department of the Reliance Life, was operated on March 14 at a San Antonio hospital for appendicitis.

The frequent absences of Willard Ewing, Kansas City general agent of the Provident Mutual, from sessions at the Milwaukee convention of the National Association of Life Underwriters last year, now are explained. He confesses that he was in process of becoming engaged to Miss Helen Kautz of Milwaukee. The marriage will take place May 18. Mr. Ewing is president of the Life Underwriters Association of Kansas City.

Thomas E. Hartmann, New Jersey general agent of the New England Mutual Life, plans to leave on May 3 for a two months' trip abroad.

M. A. Nelson, St. Louis general agent of the Equitable Life of New York, was injured in an automobile accident last week and is in a hospital there. He sustained an injury to his back.

President A. F. Hall of the Lincoln National Life, who is visiting Pacific Coast agencies, arrived in Los Angeles March 17 and was guest of honor Monday evening at an agency dinner of the southern California agency, W. T. Shepard, general agent. President Hall is accompanied on his trip by L. J. Kalmbach, secretary of the reinsurance department.

C. Petrus Peterson, general counsel of the Bankers Life of Nebraska, was seriously injured last Saturday when the automobile in which he was riding collided in a blinding snowstorm with one driven by Frank A. Stech of the Western Union Life. Mr. Peterson suffered a brain concussion, a deep cut on the head, and injuries to his chest and hip. Mrs. Charles F. Schilling of the mortgage department of the company was killed, and Bert S. Smith of the same department injured, as was Mr. Stech.

J. P. Somerville, 71, for half a century closely identified with the life business in Kansas City, died at his home. He had been in ill health six years, although active until just before his death in management of the general agency of the Penn Mutual Life which he and his brother, E. M. Somerville, had operated. His death was caused by a heart attack. He went with the Penn Mutual at Savannah, Mo., when he was 21, and later worked for the company as an agent in Des Moines, going to Kansas City 30 years ago as general agent. Mr. Somerville was one of the founders of the Co-operative Club of Kansas City 24 years ago, being its first president, and also president of the Co-operative Club International in its early days. The J. P. & E. M. Somerville agency is one of the oldest in the city, having recently celebrated its 30th anniversary by producing more business than in several years.

NEWS OF THE COMPANIES

Great Northwest Life Grows

Spokane Company, Now Operating Only in Northwest, Considers Seeking License in Texas

Samuel P. Weaver, president of the Great Northwest Life of Spokane, Wash., has returned to his office, after being absent for about a month. He visited Texas, investigating the possibilities, should his company decide to apply for admittance in that state. Then he went to Greensburg, Pa., his old home.

Mr. Weaver is an attorney but he has become very much interested in the insurance business and is giving most of his time to insurance work. His company is only about seven years old but it has attained \$8,285,241 insurance in force. For a young company, practically all of whose growth has been through the depression, the record is regarded as unusual. It operates in Washington, Idaho, North Dakota and Alaska. Last year it obtained about \$400,000 new business from Alaska. O. R. Wagner is secretary-treasurer and F. F. McGinnis, who was formerly with the Agricultural Life of Bay City, Mich., is superintendent of agencies.

Its annual statement shows assets of \$439,698, policy reserve \$233,102, capital \$113,907 and net surplus \$61,545.

Produce for Lounsbury

The Bankers National Life of Jersey City set aside March for production in honor of President Ralph Lounsbury, who has done so much in the upbuilding and development of the company.

Celebrates Its 90th Birthday

All of the home office employees of the Mutual Benefit Life attended a luncheon in celebration of the company's 90th anniversary. While it was chartered Jan. 31, 1845, the organization meeting was held March 14, which has been considered the company's birthday. Several of the officials spoke briefly on the progress it has made.

The company has put on a sales campaign in which awards will be made to the first 90 members of the agency force who produce \$90,000 worth of business in the first 90 days.

Urge Bixby for President

Rex Bixby, vice-president in charge of the accident and health department of the American Life of Denver, is being urged by some of the directors and his friends to accept the presidency of the American Life. At present Mr. Bixby is quarantined at home with a siege of scarlet fever.

The office of president is now vacant, due to the resignation of C. W. Helsner, who together with other officers and former officers of the company, is under indictment. A movement developed in behalf of Mr. Bixby, on the theory that he would be a constructive influence and could take the leadership in restoring the company in the public mind.

Mr. Bixby was connected with the Gordon Campbell agency of the Aetna Life in Little Rock. He went to Denver with the Colorado Life, in charge of the accident and health department. He joined the American Life the first of this year.

Mexican Plans Told

The Pan-American Life, which has just entered Mexico and has appointed Clifford S. Foy general agent, intends at first to confine activities to Mexico City and the territory immediately adjacent, as well as to a few of the larger cities. A republic-wide development is not planned just now. The rates will be on a full tropical basis. Mr. Foy for 15

years represented the Pan-American Life in Porto Rico and Santo Domingo. The head office jurisdiction will be exercised by S. E. Allison, who was recently made vice-president in charge of the foreign department.

Superior Life Moves

The Superior Life of Waco, Tex., has moved into its newly purchased home office, the former Medical Arts building. It is a 12-story structure and will be known as the Superior Life building. The Superior Life was formerly located in Dallas.

Union States' New Setup

Under new management and financial organization, the Union States Life of Portland, Ore., wrote \$1,250,000 of new business in Oregon last year. New officers are: Lloyd Raab, president; J. G. Miller, vice-president and secretary; G. C. Stickney, treasurer; Dr. C. L. Booth, medical director, and H. A. Jones, assistant secretary.

Hear Greenwood on 'Phone

Agents in 20 division headquarters of the Great Southern Life listened to an address by President E. P. Greenwood over a telephone hookup. He urged cooperation by the agents with the home office, offered encouragement, and outlined in general the 1935 program.

American Life to Build

The American Life of Birmingham, Ala., has purchased a downtown corner lot in that city for \$75,000 on which it plans to erect a home office building. The executive committee will meet next month to decide details.

Two directors have been added to the board of the Gulf States Security Life of Dallas—P. C. Allen, Corpus Christi, Tex., and R. B. Mack, Fort Worth. The six-story addition to the company's home office is expected to be completed by May 1.

Winterble at San Antonio

William Winterble, superintendent of agencies Bankers Life of Des Moines, at an agency meeting with the Cherry & Cherry agency of San Antonio, Tex., outlined the plans of the company for this year and stressed the value of careful selection of risks by the agent in the field.

Dr. A. A. Brown, medical referee in San Antonio, presented the referee's viewpoint on selection and complimented the agency force on the low rate of rejections.

Celebrate Fifth Anniversary

Agents of the J. A. Sullivan agency of the Equitable Life of New York at San Francisco, are celebrating the fifth anniversary of its establishment. In the five years this agency has put \$38,798,073 new life insurance on the books, with premiums of \$1,543,734 on 9,558 lives.

Lawton Gets "Life" Fish

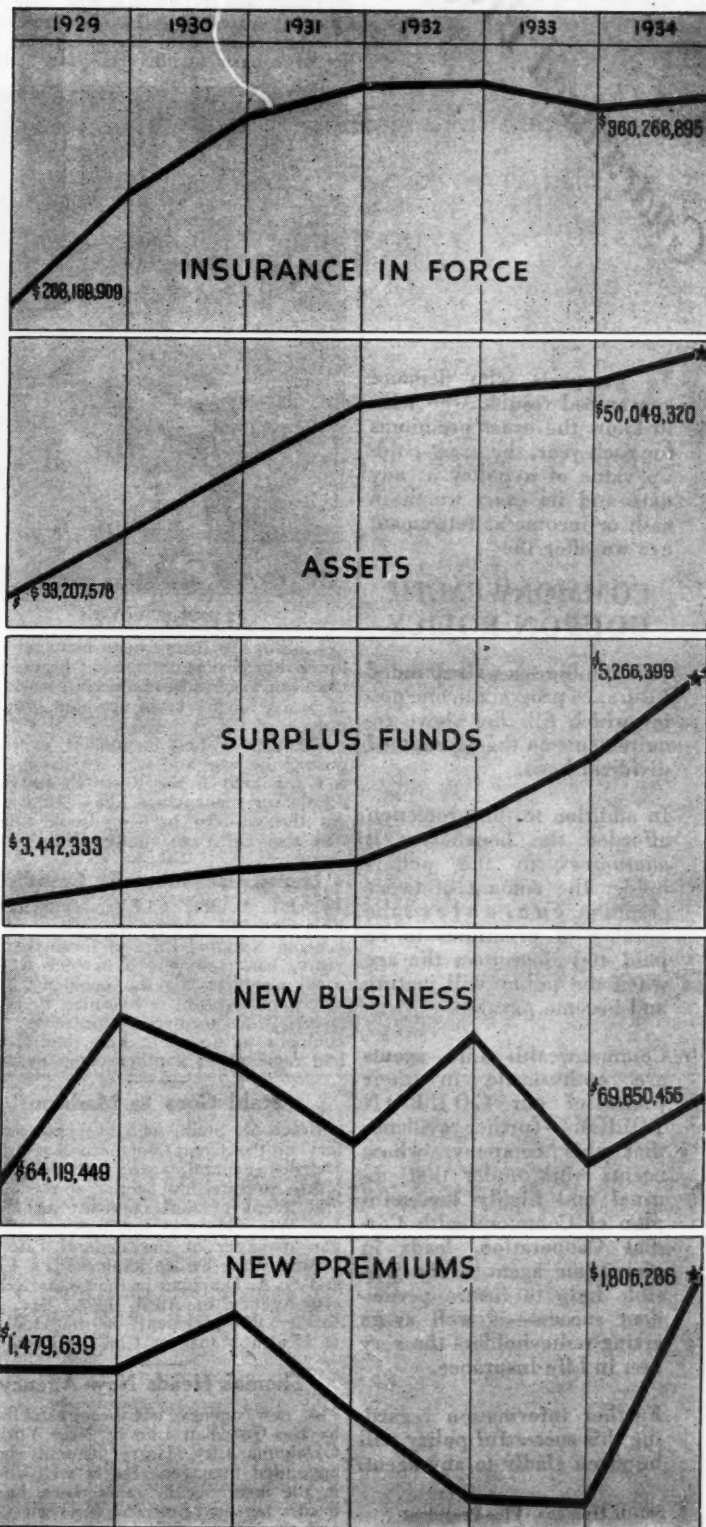
Climaxing a two-weeks "surprise" campaign for life insurance in honor of Carl S. Lawton, the brokers of the Lawton-Byrne-Bruner agency, St. Louis, at a banquet presented Mr. Lawton, just returned from Florida, with a "life fish," representing \$522,000 of life business written in the Travelers in the preceding two weeks.

Morton T. Jones, president of the Kansas City Fire & Marine, was the principal speaker. Briggs Hoffman, member of the firm, was master of ceremonies. O. P. "Pete" Rush, vice-president of the Kansas City Fire & Marine, and Ed Kiesler, state agent, also attended.

About sixty-five witnessed the presentation of a fine rod and reel to Mr. Lawton. Mr. Lawton was asked to wind in his reel, and when he did so the fish came flip-flapping very realistically from around the corner of a column.

N^WNL Steps UP to its Second Half-Century

1934 WAS A YEAR OF GAIN IN EVERY RESPECT



*Highest in History



**NORTHWESTERN NATIONAL
LIFE INSURANCE COMPANY**

G. J. ARNOLD, President

STRONG—Minneapolis, Minn.—LIBERAL



A Guaranteed Program

To prospects who demand guaranteed results, who wish to know the *exact* premiums for each year, the *exact* paid-up value of a policy at any date and its *exact* worth in cash or income at retirement age we offer the

COMMONWEALTH COUPON POLICY

This combines a well rounded insurance program in one policy which fills the above requirements on the *guaranteed* dividend basis.

In addition to the protection afforded the beneficiary it *guarantees* to the policyholder the amount of every premium, *guarantees* the number of premiums to be paid and *guarantees* the age when the policy will mature and become payable.

Commonwealth Life agents are enthusiastic in their praise of our **COUPON POLICY**—further evidence that this company, whose agents work under that unusual and highly successful plan of Commonwealth Cordial Cooperation, leads in giving an agent every possible help to insure permanent success—as well as in giving policyholders the very best in Life Insurance.

Further information regarding this successful policy will be given gladly to any agent.

I. Smith Homans, Vice-President

**COMMONWEALTH
LIFE INSURANCE CO.
LOUISVILLE, KY**

LIFE AGENCY CHANGES

Polka Is Appointed Manager

Succeeds H. J. Kralovec with Northwestern National Life in Chicago; Special Contest Results

James E. Polka has been appointed manager of the West Suburban agency of the Northwestern National Life in Chicago, succeeding H. J. Kralovec, who has resigned to devote himself to his large business interests. Mr. Polka



JAMES E. POLKA

has been life department manager for the Kralovec agency for six years, and has been in life insurance sales work for 15 years, having large personal production.

He was a first lieutenant overseas during the war and was wounded. He is a graduate of the Research Bureau's school for managers. The agency covers the western part of Cook county and also Du Page county, Ill.

Hemstreet Succeeds Crandall

SALT LAKE CITY, March 21.—Earl Crandall, general agent here of the Lincoln National Life for more than 10 years, has resigned to become a personal producer for the company. The new general agent is Sherman L. Hemstreet, who formerly represented the company as an agent here, but of late had represented another company.

Stahl Goes to Madison

Brace M. Stahl, who has been secretary of the Great Northern Agency of Detroit, general agent of the Great Northern Life, has been appointed general agent of that company in Madison, Wis. He was southeastern Michigan manager of the Federal Life for several years before joining R. J. Long and G. A. Dunagan in the Great Northern Agency in April, 1933. He is a former vice-president of the Accident & Health Managers Club of Detroit.

Thomas Heads New Agency

A new agency has been established by the Guardian Life of New York in Oklahoma City, Harry Thomas being appointed manager. He is well known in the insurance business there, having been a personal producer for some years and then engaged in agency work.

Embark on Expansion Program

The Mutual Benefit Health & Accident has recently embarked on a program of expansion on an extensive scale, along with its affiliated company, the United Benefit Life. Branch offices are being opened in Cincinnati, Providence, Columbia, S. C., and To-

ronto, Winnipeg, Vancouver and Hamilton, Can.

David Smith, formerly manager at Phoenix, Ariz., who died recently, has been succeeded by V. F. Lenzen, who represented the Equitable Life of Iowa at Phoenix.

Frank Garey

Frank Garey has been appointed district manager in southern Nebraska with headquarters in Lincoln by the Equitable Life of Iowa. Garey has been a successful producer, having 91 weeks membership in the App-a-Week club.

Hugo E. Alfs

Hugo E. Alfs, who has been with the H. O. Johnson agency of the Bankers Life of Nebraska at Holdrege, Neb., has been named general agent in southeastern Iowa, with headquarters at Oskaloosa.

Chattanooga, Nashville Appointments

The Shenandoah Life appointed R. C. Evans branch manager and Ben H. Storie assistant manager in Chattanooga. Both have been in the business many years in Chattanooga, and have been lately with the Ohio National Life.

T. F. Richardson has been named manager at Nashville. He has been in the business there many years and was formerly with the Pilot Life.

Daniel Chattanooga Supervisor

Lacy Daniel has been appointed supervisor for the E. E. Brown agency of the Penn Mutual Life in east Tennessee with headquarters in Chattanooga. He was formerly associated with the Belling Sibley agency of the company in Memphis. For the past year he has been with the Birmingham, Ala., agency.

Davidson Acting Manager

P. J. Davidson has been appointed acting manager of the branch office of the Acacia Mutual Life at San Diego, Cal. He has been with the company since 1929 and has an outstanding record in personal production.

Butterbaugh to Los Angeles

J. G. Butterbaugh, assistant superintendent of agencies for the Bankers Life of Des Moines for the last three years, will go to Los Angeles to assume temporary charge of the agency there during the illness of the local manager.

Returns to Northwestern Mutual

C. S. Hutchings, annuity specialist of Los Angeles, who has been with the home office agency of the Pacific Mutual Life for eight years, and who led the field for 1934 in number of lives covered, is now with the W. K. Murphy agency of the Northwestern Mutual Life in Los Angeles. He was formerly with that company in the actuarial department at the home office.

Life Agency Notes

The **Midland Life** has appointed S. E. Smith general agent at Kirksville, Mo., and H. A. Garner general agent at Winston, Mo.

D. J. Greenwald, for several years in charge of the life insurance department of Joyce Insurance, St. Paul, has joined the Travelers there.

E. G. Bisch, formerly with the Guardian Life in Columbus, O., who has been in the business for 23 years and writes around \$750,000 a year, is now with the Brust & Von Breton agency of the Guardian Life in Los Angeles.

The **Gulf States Security Life** of Dallas has appointed Ray Andrews district manager at Wichita Falls. Harold Sharpe, formerly of San Angelo, has

been named agency supervisor in Fort Worth.

H. L. Gilhaus has been appointed supervisor of the C. O. Fischer agency of the Massachusetts Mutual in St. Louis. Mr. Gilhaus has had 14 years' insurance experience, last with the Central Life of Iowa in Wichita, Kan. His agency in 1934 finished first in volume and premium income. He was formerly in supervisory capacity in St. Louis.

Raise Oklahoma Standards

OKLAHOMA CITY, March 21.—An active campaign to raise insurance standards in Oklahoma is being launched by Secretary S. W. Philpott of the Oklahoma Insurance Board. Letters have been sent to fire, casualty and life companies asking for support and counsel in the endeavor and pledges of cooperation and appreciation are being received. Among the many objectives in the program are: Admission of only safe and sound companies in the state, collection of fees from unlicensed agents, hearings on complaints to protect the public, protection of policyholders and honest agents and sound companies. Open war will be declared on racketeers, promoters, chisellers, rebaters, violators of state insurance laws. Secretary Philpott deplored the chaotic insurance condition which is the result of inadequate laws and loose dealings with the insurance racketeers.

Dandy Associate Actuary

The National Life of Toronto has appointed J. P. Dandy associate actuary.

Smyth Goes to Newark to Be Assistant for Aetna



HAROLD SMYTH

Harold Smyth, who has been in supervisory work for the Aetna Life in New York City since 1927, has been appointed assistant general agent of the A. G. Derr agency of the company in Newark, effective April 1. Mr. Smyth is a native of Liverpool, Eng., and came to this country when two years old. He grew up in Hartford, and in 1923 began work in the Aetna Life's home office. From then until 1927 he was engaged in various departments, principally the claims and underwriting divisions. In 1927 he went to New York when R. H. Keffer was made general agent. Mr. Smyth became brokerage supervisor. In 1930 he became supervisor in the full-time department, where he has continued until now.

Mr. Smyth is a graduate of Fordham law school, which he attended evenings while keeping up with his insurance work. He previously attended the Hartford law school. He is a crack tennis player and last summer won the tennis tournament at the Life Supervisors Association outing. He has been instrumental in bringing into the business some of the leading producers of the Luther-Keffer agency.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Union Mutual in Substandard

Broad Facilities for Covering Aviation Hazard Included in Program Just Adopted

The Union Mutual Life of Portland, Me., has gone into the substandard field, with special reference to the aviation hazard. Fare-paying passengers, executives using company-owned planes and owners not piloting, will be considered standard up to 25 flights per year and for limits of \$100,000. For 26 to 50 flights yearly, the premium is \$2.50 and limit \$75,000; over 50 flights extra premium \$5 and limit \$50,000.

Non-fare-paying passengers flying for pleasure in licensed planes with licensed pilots will be considered standard if making one to ten flights yearly, with limit \$100,000. For 11 to 20 flights extra premium is \$5 and limit \$50,000; 21 to 30 flights, extra premium \$7.50 and limit \$35,000; 31 to 40 flights, extra premium \$10 and limit \$25,000; over 40 flights, extra premium \$15 and limit \$25,000.

Unlicensed Risks Rejected

Passengers using either unlicensed planes or unlicensed pilots usually will not be accepted. Licensed pilots flying licensed planes not otherwise classified, and private pilots, carry extra premium \$25 and limit \$10,000, which also applies to student pilots and crop dusters. Test pilots will be considered for extra premium \$35 and limit \$10,000. Disability and double indemnity will not be granted to applicants ineligible for standard.

Extra annual premiums for army and navy flyers are: Regular army and navy air corps—pilots and observers with 400 or more hours in air, and commissioned in regular army, \$12 extra premium, \$10,000 limit; 200 to 400 hours in air, \$24 extra premium, \$10,000 limit; flight surgeons and ordnance officers, \$7.50 extra premium, \$20,000 limit; non-commissioned officers and enlisted men, pay grades first, second, third, fourth and fifth, for endowments maturing in 25 years or less, also endowment annuities age 60, \$10,000 limit; special consideration for non-rated classes and commissioned officers from other branches of service.

National guard air corps and reserve officers on inactive and two weeks active duty: 400 or more hours in air, \$12 extra premium and up, \$10,000 limit; 200 to 400 hours, \$24 extra premium and \$7,000; observers \$5 extra premium and \$10,000; enlisted personnel same as regular army enlisted men.

Under substandard policies, waiver of premium clause at increased rate may be included in certain cases issued with extra premium because of medical impairment or occupational hazard. The company has good reinsurance facilities for the substandard business.

Midland Life

The Midland Life of Kansas City has announced an extension of its present retirement income policy to maturities at ages 55 and 65, as well as the present 60, and new retirement annuities at 55, 60 and 65.

New retirement income policies are similar to ones the company has been offering. New annuities are similar to the retirement income plans, but the life insurance feature during the early years is limited to the return of premiums or the cash value, whichever is the greater, in the event of death before maturity. Premiums for this type are somewhat smaller than for the retirement income. The new plans will carry maturity options similar to those provided by the retirement income policy.

John Hancock Rates Go Up

Life and Annuity Scales to Increase April 1; Changing to 3 Percent Basis

The John Hancock Mutual Life is to change to 3 percent reserve basis on all new life and immediate annuity contracts issued on and after April 1, it is announced to the field force. This involves also increase in rates, many changes in cash values and surrender charges, and modifications in policy contracts.

The new surrender charges will start at the end of the second year and run through the ninth year on life contracts, with full reserve at the end of the tenth year and thereafter. Heretofore full reserve has been available at the end of the fifth year. On single premium ordinary policies and retirement annuities the surrender charge will run off at the end of the fifth year.

The rate increase, it is reported, will range from 5 to 6 percent, and will apply to annuities as well as ordinary policies.

It is said the new immediate annuities sold will be on 3½ percent American Annuity table, whereas retirement annuities will go on the 3 percent basis until income to annuitant starts, when the contracts will go on the 3½ percent American Annuity table. The annuities probably will be non-participating as in the past.

Sun Life in Dividend Change

Readjustment on Some Forms Effective April 1 Made Necessary by Lower Interest Trend

The Sun Life of Canada announces a readjustment of the dividend scale effective April 1. A. B. Wood, president and managing director, points out that the position of the investment market greatly restricted avenues of investment, and general decline in interest rates presents a difficult problem. Although these conditions are regarded as abnormal, he said, it is considered advisable, and in

FRIENDLY ENEMIES

The Midland Mutual Life appreciates the high esteem in which it is held by other life companies and their representatives.

An unusually low lapse in 1934 reflects the good-will of our "friendly enemies".

The Midland Mutual Life Insurance Company

Columbus, Ohio



INSURANCE FOR YOUNGSTERS

Among the many attractive plans of insurance offered by Atlantic Life are Juvenile Contracts, issued from birth to age nine, on life and endowment plans. Representatives of companies not writing this type of insurance are invited to ask for our new booklet containing pictures of over 250 youngsters insured in Atlantic Life, with a description of the appealing sales feature of Juvenile insurance.

Atlantic Life Insurance Co.

RICHMOND, VIRGINIA

Angus O. Swink
President

William H. Harrison
Vice-Pres. & Supt. of Agencies



70 Years Spry

On March 22nd, this year, Provident Mutual was 70 years old. That's a lot of years. According to the best colloquialisms, that makes us "ripe." It makes us too ripe, in fact—too ripe by 15 years—to buy for ourselves a PROVIDENT PROVIDOR, that comprehensive



retirement plan for men under 55. However, not being an individual, we find ourselves as gay as we ever were, a whole lot stronger, and more mellow with each new birthday. And if the years deny us the PROVIDENT PROVIDOR, they can't deny our offering its opportunities to others. So, if you are under 55—if, let us say, you were "founded" after 1880—it will pay you well to investigate the PROVIDENT PROVIDOR. In addition to paying you \$200 a month for life beginning at 55, 60 or 65, it will pay \$20,000 to your family if you die before that age. Ask your Provident Mutual agent about the PROVIDENT PROVIDOR today.

PROVIDENT MUTUAL
LIFE INSURANCE COMPANY OF PHILADELPHIA
Founded 1865

This is one of a series of newspaper advertisements published by Provident Mutual in sixty cities.

keeping with sound, conservative principles, to make certain readjustments so surplus earnings may be held at as high a figure as possible until world conditions become more stabilized.

The chief features of the dividend change are:

On the principal annual dividend plans policyholders will receive the same cash dividend as in 1934, while on policies containing income disability benefits a readjustment in dividends is being made depending on age, plan and rate of premium.

The retirement income bond and Plan B pension investment bond are policies in which the investment element is predominant and they are thus affected to a greater extent by the reduction in interest rates. Under these two plans, therefore, a reduction will be made in the dividend.

On dividends and other funds left on deposit with the company, interest will be allowed at the rate of 3¾ percent per annum.

Continental Assurance to Raise Rates Before Long

The proposed scale of increased rates on annuities will be put in effect April 15 by the Continental Assurance. The rates have not yet been announced but it is understood they will be about the same as those of a number of leading eastern companies. The Continental does not contemplate putting its annuities on a 3 percent participating basis as did a number of eastern companies, but the scale is the new standard one put in effect recently by a good many companies, showing lower returns.

The rate increase on all life policies now being worked out in the actuarial department to be made effective by July 1, is said to show an increase in general level of about 6 percent. This change also will involve a readjustment of cash values from the 12th to 19th year, in which period there will also be a surrender charge which will go off in the 20th year.

CHICAGO NEWS

R. E. SPAULDING IS HONORED

The entire staff of the J. R. Hastie agency of the Mutual Life of New York, formerly for many years managed by Robert E. Spaulding, turned out to attend a lunch in his honor. W. G. Warren, manager of the Mutual's clearing house in Chicago, Drs. Quinlan and Burman, Manager Hastie and many others—85 in all—attended. Mr. Spaulding retired recently, but has opened an office in 33 North La Salle street, to service his personal business. I. B. Jacobs, educational director in the agency, gave a testimonial talk, being chairman and toastmaster. Louis Degen, chairman of the agency's field club, also spoke as did Manager Hastie and Talmadge Smith, agency organizer. Mr. Spaulding responded.

HAWKINS AGENCY MOVES

The Hawkins Insurance Agency, composed of Val H. Hawkins and Joseph E. Young, which has the exclusive general agency in Cook county for the ordinary life department and the "gold seal" accident and health policy of the Washington National, has moved to larger quarters at A-1132 Insurance Exchange, Chicago. The agency was launched Dec. 1 and has been at 1929 Insurance Exchange, but outgrew its quarters there. The agency has set a notable record in production for both departments. It has written \$650,000 life insurance to March 1 and led all agencies in the country by qualifying in January for the company's Kendall Club by paying for \$3,000 in life premiums. It led the central states division in the sale of "gold seal" policies in February, with 209 applications. The "gold seal" is a full coverage, non-pro-

rating policy, featuring the "bodily injury" insuring clause and sold on the quarterly premium plan.

Mr. Hawkins is one of the old-timers in the accident and health field in Chicago and resigned as head of the accident and health department in the Standard Accident Chicago branch office to open the new agency. He was for a number of years in charge of accident and health production for the Commercial Casualty in that city. He is widely known among agents and brokers. Mr. Young has been for 22 years a life specialist. He was for a number of years with the Travelers there, later a supervisor for the John Hancock Mutual Life in Chicago and more recently special agent for the Engelhard-Krogman Company.

THORSENS JOIN HAVILAND

Waldo and Ralph Thorsen, prominent Chicago brokers who control a large volume of life insurance production, have become associated with the agency of F. H. Haviland, Chicago manager for the Connecticut General Life. The Thorsens formerly for many years were associated with their father in the brokerage concern of J. B. Thorsen & Sons. Mr. Thorsen, Sr., is continuing his business independently, retaining his old office.

HOLD "STRATOSPHERE" CONTEST

The Chicago organization of the Northwestern National Life under the direction of W. N. Stafford, home office representative, held an unusual "stratosphere" contest in January and February, results of which are announced this week. A large board painted to represent the section from the ground to the upper reaches of air was set up in the One North La Salle headquarters, various contenders being banded in four groups designated by the color of the "stratosphere" balloons they were attempting to send aloft. The largest number of applications was recorded by Henry Shuh of the Pease

agency; largest paid volume by T. Norberg of that agency; largest number of applications in one family by A. M. Janacek. Mr. Norberg led in the red division; G. N. Stafford of the Shetzler agency in the yellow division; C. H. Ziegele of the Aspegren agency in the green division and M. L. Miller of the Sylvanus agency in the blue division. The contest culminated at a dinner, which was addressed by Mr. Stafford.

DE LAPP TO MOVE OFFICE

The Chicago office of the Union Mutual Life of Portland, Me., which for some time has been located in the Insurance Exchange, is to be moved April 1 to the Conway building by Manager A. A. DeLapp, who recently was appointed succeeding J. J. Spears. Mr. DeLapp has taken quarters covering about 1,000 square feet, the room number being 748.

Service Bureau Changes

Several promotions and managerial changes are announced by the American Service Bureau, in line with the 1933 development program.

F. A. Dwyer becomes St. Louis manager and L. R. Boyle assistant manager. P. J. Walsh now is Cincinnati manager; F. J. Koch, Columbus, O., manager, and T. D. Bayley is in charge at Jacksonville, Fla.

O. V. Elder, formerly St. Louis manager, becomes San Francisco manager, replacing E. J. Ralston, who takes charge in Oakland, Cal. F. W. Coates is Louisville manager. J. W. Jenkins, formerly manager at Louisville, is transferred to Cleveland, in charge of special service inspections.

Fine Unlicensed Agent

Roy Jenkins was found guilty at Athens, Ala., of representing as agent, an unauthorized, unlicensed, mail-order life insurance company not qualified to do business in Alabama, and fined \$500 plus the amount of state and city taxes due from the concern he represented.



LIFE REINSURANCE EXCLUSIVELY

LAWRENCE M. CATHLES
PRESIDENT

99 JOHN STREET

NEW YORK CITY

NEWS OF LIFE ASSOCIATIONS

To Form Alabama State Body

Montgomery Approves Birmingham Proposal—Plan First Convention April 25—Other Associations

MONTGOMERY, ALA., March 21.—At the suggestion of a special delegation from the Birmingham Association of Life Underwriters, the Montgomery association, at its monthly meeting endorsed the plan to organize the Alabama Association of Life Underwriters. Three members were named to attend a meeting in Birmingham early in April at which organization is to be perfected. It is planned to hold the first state convention in Birmingham, April 25. The trio of Montgomery delegates to the organization meeting are: C. A. Hopkins, New England Mutual, William Lawrence, Equitable, and Felix Shank, Penn Mutual. The Birmingham delegation was composed of J. O. Ogle, Pan-American; W. T. Roddey, Equitable; Fred S. Chisolm, New England Mutual; and Herbert Baum, Protective Life. Mr. Ogle explained in detail the plans for organization and said he felt sure that the Birmingham, Mobile and Anniston associations, as well as a new association just being launched at Bessemer, would endorse the movement. Mr. Ogle told of the necessity of a state association to look after the welfare of the life insurance interests.

C. A. Hopkins was elected national committeeman from the Montgomery association.

L. W. Klingman, manager salary savings department of the Equitable, predicted 1935 will be a good year but "it is up to us to go out and find the prospects who are making the money."

* * *

Sales and Tax Problems Are Viewed at California Meet

SAN FRANCISCO, March 21.—In addition to the sales methods of leaders, the premium tax situation was considered at the northern California sales congress here. O. J. Lacy, president California-Western States Life, who has served on the committee of company executives in building opposition to the proposed tax increase, reviewed the situation. Mr. Lacy indicated, by illustration, how the retaliatory laws operate to the detriment of California companies operating in other states, how the increase is discrimination against insurance and how it is economically unfair and inequitable.

President T. M. Riehle of the National association told of that organization's growing value and importance and urged that all underwriters get closer together in developing a high standard of ethics, better public relations and ridding the business of the twister and others of like ilk.

Grant Taggart, Cowley, Wyo., whose success in a community of approximately 6,000 people has brought him a marked national reputation, proved to be of unusual interest to the agents in his talk, "Success in Life Underwriting." Chester O. Fischer, general agent Massachusetts Mutual Life at St. Louis, gave an analytical sales talk, "The Missing Link." Harold J. Cummings, vice-president Minnesota Mutual, talked on "Know." J. E. Fitzgerald, district manager Fidelity Mutual at San Jose, Cal., also spoke. A feature of the congress was the tribute paid the leading producers in San Francisco agencies. W. R. Spinney, president San Francisco association, presented the certificates of achievement.

Elbert Storer of Indianapolis, former president of the National association, was in attendance at the congress, which had an attendance of more than 1,200.

Budget for Insurance Grows

Dr. Dingman Makes Significant Point in Address Before Grand Rapids Association

America believes in insurance, Dr. H. W. Dingman, vice-president and medical director Continental Assurance, told the Grand Rapids Association of Life Underwriters at the March meeting. In 1929 life companies received about 4 percent of the national income; now the people are budgeting about 8 percent for life insurance. "As the national income increases," Dr. Dingman said, "personal insurance is due for an increase that may amaze us."

America has 7 percent of the world's population and holds 70 percent of all the life insurance. The national income dropped from 90 billion dollars in 1929 to 40 billion, but the 110 billions of life insurance in force has dropped only to 100 billions. "These are reliable estimates: 50 percent down in income, 10 percent down in protection," Dr. Dingman said.

"America understands insurance as never before, demands more from it, and expects more. It is selling better proportionately than any other commodity. Yet, there are only 200,000 life insurance agents selling it today. There were 225,000 five years ago. More unemployed persons. More people looking for work, more general agents looking for producers, and 25,000 fewer life insurance agents than in 1930. Why?

Demand Superior Service

"The buying public is demanding top grade agency service and the uninformed and ignorant agent is falling by the wayside because he cannot meet the demand. America is now a critical buyer. The life insurance personnel in the field is becoming fewer and better. The personnel in home offices has become larger, as much as 8 percent larger. The client demands value and the rewards are great for delivering.

"The 1935 slogan is knowledge. We do not keep pace with the times unless we constantly increase our fund of information, and recognize the increased knowledge that our clients have about insurance. Salesmanship is the same important factor it always has been. But buymanship has increased in importance. Our clients know more and buy more, and buy better. So our salesmanship must be tempered with respect for this knowledge.

"The 1935 brand of salesmanship calls for knowledge of the principles of qualifying candidates. When an agent gets an impaired applicant, whether physically or financially or morally, he has one of two sales to make, the applicant or the company. Either he sells his client to pay more money, or he sells the company to appraise more leniently. Most agents choose the harder sale, the home office. The home offices know the experience and are aware of the hazards."

Dr. Dingman's New Volume

Dr. Dingman, who is nationally known as an author of text and reference books on medico-life insurance subjects, has written a new volume, "Selection of Risks," which The National Underwriter Company is planning to publish. It brings up to date the subjects covered in his well known volume on "Insurability" published some years ago, filling the need found among underwriters, examiners and students for a strictly modern, concise reference work on the subject.

It discusses general factors and characteristics that determine insurability, then gives specific consideration to each factor in passing on risks.

The subjects are taken up alphabetically. All the more important questions are considered fully. Each disease is described, symptoms given and its ef-

ENDORSED AT HOME

The people of Nebraska have given us their approval over a period of forty-eight years. We lead all companies in insurance written and in force in our home state.

We have several permanent General Agencies available. If you are interested, we invite your inquiry.

Founded in 1887



BANKERS LIFE INSURANCE CO.
OF NEBRASKA
HOME OFFICE LINCOLN, NEB.

Achievement—

An Increase of \$34,410,379.00 insurance in force during 1934.
More than \$14,000,000.00 Increase in Assets and \$5,500,000.00 Increase in Surplus from December 31, 1929, to December 31, 1934.

Grown to a half billion dollar Company in 30 years.

Excellence—

The prestige that arises from financial stability and years of fair dealing is enjoyed by each Anico representative. Practical and attractive selling features open new avenues of business and complete the equipment of the man in the field.

Power—

\$124.58 in Assets for each \$100.00 of liabilities.

\$52,721,865.75 in Assets and \$10,401,100.02 in Surplus on December 31, 1934.

Plans—

Agency Conventions announced for 1936.

Extension of agency development in both old and new territories.

ORDINARY AND INDUSTRIAL

AMERICAN NATIONAL INSURANCE COMPANY
GALVESTON, TEXAS

W. L. Moody, Jr., President
Shearn Moody, Vice-President
E. L. Roberts, Vice-President (In Charge Ordinary Agencies)

F. B. Markle, Vice-President
W. J. Shaw, Secretary

Forging Ahead—

In 1934, as compared with 1933, the Montana Life had

- 17% Fewer Agents
- 41% More Producing Agents
- 55% More Paid Business
- 58% More Applications

MONTANA LIFE INSURANCE COMPANY

Enduring as the Mountains

HELENA, MONTANA



EXTRACT FROM 64th ANNUAL REPORT

December 31, 1934

GROSS INCOME

\$16,405,935.33 (Increase: \$870,310.12)

PREMIUM INCOME

\$12,594,534.64 (Increase: \$783,506.94)

ASSETS

\$78,515,318.60 (Increase: \$3,130,147.80)

INSURANCE IN FORCE

\$396,015,756.00 (Increase: \$18,731,817.00)

CAPITAL, SURPLUS AND SPECIAL CONTINGENCY RESERVES

\$14,886,407.96 (Increase: \$248,602.63)

TOTAL PAYMENTS UNDER POLICY CONTRACTS SINCE ORGANIZATION

\$96,123,428.51 (Increase: \$7,061,272.29)

THE
LIFE INSURANCE COMPANY
OF VIRGINIA
RICHMOND, VIRGINIA
Organized 1871

Bradford H.
Walker
President



TERRITORY AVAILABLE



LIBERTY NATIONAL
LIFE INSURANCE COMPANY
BIRMINGHAM, ALABAMA

fect on insurability for both life and accident and health insurance noted. Factors such as aviation, family history, habitat, insurance quotas, moral hazard, occupation, weight, etc., are considered. The Grand Rapids Association adopted the by-laws suggested by the National association.

Alabama Qualification Law Will Be Sought by Julian

MONTGOMERY, ALA., March 21.—Frank N. Julian, new Alabama superintendent of insurance, at the March meeting of the Montgomery Association of Life Underwriters, announced that when the legislature reconvenes April 30 he will back an agents' qualification law. "If we can get that law over you will see a new day in insurance in Alabama, life, fire and casualty," he declared.

The proposed law will be modeled along the lines of the Alabama real estate laws. It will create a board of examiners of three composed of life, fire and casualty men.

Schnabel the Bountiful

O. P. Schnabel, president of the Texas association, sent a bulletin to the 17 presidents of associations in Texas advising that the Texas association will contribute \$5 to each association publishing a list of paid members. The associations that have tried this scheme are well pleased, he says. He predicts the membership in the various associations in Texas will be increased to over 1,000 in 1935. He is offering a prize of a special pencil to the president and secretary of each association which increases its membership 50 percent over 1934.

Iowa—Life underwriters of Ames, Colfax, Eldora, Grinnell, Nevada, Newton, Toledo and Marshalltown honored F. W. Darling, Cedar Rapids, president Iowa State association, at a dinner meeting at Marshalltown. Mr. Darling spoke on association work and urged attendance at the national meeting in Des Moines next September. Oliver Mabie, president Marshalltown association presided.

Appleton, Wis.—George T. Carlin, educational director Central Life of Iowa, spoke on "The Value of Preparation." An advertising program in connection with National Life Insurance Week was discussed.

Chicago—E. W. Bralley, general agent of the New England Mutual in Cleveland, will address the general agents and managers division of the Chicago association March 22 on "Stimulating Production from Established Agents." The division is conducting a series of monthly meetings with open forums on various phases of agency work. Mr. Bralley, who has been variously assistant agency manager Equitable of New York in New Hampshire and then assistant to the superintendent of agents at the home office of the New England Mutual, and for eight years Cleveland general agent, has been successful in increasing incomes of his older men. The legislative committee of the division will report on the insurance code bill and results of a senate hearing on the measure.

Birmingham, Ala.—Man literally spends thousands of dollars annually by wasting time, Ernest W. Owen, Detroit, manager Sun Life of Canada and trustee of the National association, declared in his address on "Thirteen Keys to Success." Orlando Ogle, program chairman, announced that Mr. Owen would return to Birmingham April 25 to address the sales congress.

The association adopted a resolution favoring affiliation with the new Alabama association.

St. Louis—People should quit talking about the sixth year of the depression and realize that we are already in the second year of recovery, T. M. Riehle, president National association, declared in his talk here on "Your Place in Business Recovery." Touching on the future possibilities of life insurance, Mr. Riehle

said that in 1929 but 4 percent of the national income was invested in life insurance while in 1933 it had risen to 8.3 percent. He contended that regardless of how high the national income may go in the future there is no good reason why the same ratio of 8.3 percent should not be maintained. He expressed the opinion that during the next decade life insurance will enjoy the greatest business in its history.

At the meeting the St. Louis association adopted changes to its by-laws to bring it into conformity with the National association's rules. Membership now totals 462.

Davenport, Ia.—The Davenport and Rock Island associations met March 20. R. B. Hull, managing director National association, being the speaker.

Joliet, Ill.—Following a talk by Dr. S. S. Huebner, a round table conference was held. In the evening there was a mass meeting in the high school auditorium.

Philadelphia—Fred Bremier of the Curtis Publishing Company reviewed the life insurance survey made by that company in conjunction with the Life Insurance Sales Research Bureau and the life companies.

Mason City, Ia.—Northern Iowa life men and their wives were guests at a dinner. Speakers included E. R. Gray, Des Moines, National association trustee; A. H. Pickford, Des Moines general agent Provident Mutual, and James Rutherford, Des Moines general agent Penn Mutual Life and chairman of the Des Moines association.

Fort Wayne, Ind.—C. E. Spencer, general agent Penn Mutual at Toledo, O., spoke at the regular luncheon meeting March 21.

Missouri—A semi-annual convention will be held May 15 at Hannibal, Mo.

Keokuk, Ia.—Harold Wylie has been elected president and J. S. Wells secretary-treasurer. George Robb, Davenport, manager Home Life of New York, spoke on the agent's responsibility to his client.

INSURANCE
MEN WANTING
AN AGENCY
IN WHICH
THEY CAN
MAKE MONEY
NOW
SHOULD
WRITE
TO

The Service Life
INSURANCE COMPANY
OMAHA, NEBRASKA
John A. Farber
PRESIDENT

AGENCY MANAGEMENT

Training System Is Essential

Forum of Chicago Supervisors Shows Old "Sink or Swim" Plan Not Popular Today

A great many agency heads still believe that training agents is not very important; still employ old methods of giving them a rate book, pushing them out on the street, and telling them to "go to it," B. H. Groves, supervisor of the Travelers' branch in Chicago stated in a roundtable discussion of "how to train agents" held by the Life Agency Supervisors Association of Chicago. Mr. Groves was chairman of the session, assisted by J. L. Nelson, sales promotion manager and head of the educational department of Hobart & Oates, general agents of the Northwestern Mutual, and R. D. Hinkle, assistant agency manager, Equitable Life of New York.

"Many general agents and managers still say that if selection of agents is properly done there is no training problem, that 'you can't keep a good man down,'" Mr. Groves said. "Many still believe the agents resent going to school, that training methods are generally ineffective and therefore they won't adopt them, but the fact is that the agent will get his training either directly or by indirection. We must have training of agents if only to weed out the misfits. There is a public demand for it, and it pays in the long run."

Training System Important

Mr. Groves said it is doubtful if a business could recruit worthwhile agents today if the story could not be told of a highly developed training procedure in the agencies. There is, of course, always the question of the relative desirability of the home office standardized instruction course and correspondence school or the training facilities offered by agencies, and also the correlated questions of scope of instruction and whether to employ cooperative soliciting or to start the agent in the field by himself but help in special cases. An important factor is the follow through, after the agent has gone out on the street.

A. H. Hiatt, assistant general agent Aetna Life, president of the association, presided.

Mr. Nelson said when an agent tries hard but fails, it is an indication there is something wrong with the training plan. Most agents find difficulty in learning new methods and working habits in a short time. The trial and error method of attaining proficiency in sales work is slow and hazardous. Reading alone is not sufficient to make good salesmen. The men with the greatest potentialities as salesmen as a rule are not good students.

The lecture, or telling, method requires much time; there is a tendency to wander from essentials, to generalize and to expound pet theories of the instructors. Mr. Nelson leans toward the "showing" method of training. The agents are sent out with highly trained salesmen who do things in a polished way. He said an agency training course should combine a home office reading course, and agency training, including prospecting, presentation, selling practice and time control, by practice as well as precept. He advised against effort to make an "actuary" of the new agent, and against trying to teach him everything in the rate book. New agents should be placed under close supervision for at least a year. Later they should have training in business insurance, programming, estate analysis, etc.

Quick production is the essential factor in handling new agents, Mr. Hinkle said. He does not believe that new agents generally can be made successful merely by training in the office. It is wise to confine them to a simple pres-

entation. If they attempt the more complicated approaches they may ruin good cases for other agents. The people are definitely in the market for a savings plan, and there is less resistance for new agents in presenting this angle.

Mr. Groves summed up, saying that the quicker a new agent is put out on the street at the job of soliciting, the better his chance of success. When the training process is prolonged, the agent is more subject to the hazard of discovering complexities which he feels he must master before actually trying to sell a policy. The "taste of blood" is a vital factor. Selection of supervisors is more important than selection of agents, he said.

General Agents Conferring

Series of Three Continental Assurance Gatherings on Agency Building Being Held

A series of three two-day conferences at the home office with leading general agents on field problems and agency building plans has been started by the Continental Assurance of Chicago. This is a continuation of a plan started in January when the general agents were called in to draft a program for 1935. In the series of meetings now being conducted, the general agents are reporting progress, which home office officials state is gratifying.

G. F. Claypool, executive vice-president, D. Miley Phipps, superintendent of agencies, and Lester Forbes, educational director, conferred with the field men in the meeting of the first section last week. A second conference was conducted this week and a third will be held next week.

The spring meeting of the officers and directors of the General Agents & Managers Association will be held at the home office two days, March 27-29. This will be purely a business conference. Messrs. Claypool and Phipps will take turns presiding and will address the gathering, as will Mr. Forbes.

ACCIDENT—HEALTH

Disposes of Southern Line

Continental Casualty Discontinues Industrial Hospitalization; Woods Goes with Protective Life

The Continental Casualty of Chicago is discontinuing the sale of an industrial hospitalization form, or salary deduction group disability insurance, which has been written for upwards of a year in some of the southern states under the direction of R. U. Woods of Shelby, N. C.

Mr. Woods is going with the group department of the Protective Life of Birmingham, which is taking over this business of the Continental Casualty. His title is reported to be southern production manager and assistant to the vice-president of the group department of the Protective. He will continue headquarters in Shelby, N. C. Mr. Woods, while having the title with the Continental Casualty of southern production manager, was in reality an agent.

He has been identified with group insurance for 12 years, having been president of the Southern Group Association in 1927-28 and first vice-president of the National Group Association of America in 1931. Approximately \$50,000 premium is involved in the deal. The coverage is on a salary deduction basis, giving hospitalization for sickness, child-birth in case of women, and

Over 30 years of

never faltering service

to agents makes the

Guaranty Life outstanding

as an agents' company

modern, liberal policy contracts,
a strong financial foundation,
experienced, sincere management
are yours when you represent
this sound progressive company

Lee J. Dougherty, President

Guaranty Life Insurance Co.

Davenport, Iowa

Share the Wealth

ABOVE all the wild cat ideas for lifting ourselves by our financial bootstraps stands Fidelity's time tested plan for guaranteed security in old age.

Fidelity originated the "Income for Life" plan more than thirty-two years ago. The thousands who have adopted it offer outstanding evidence of what man can do for himself to safeguard the golden years of his life.

Here is a wealth sharing plan which gives without denying any man the fruit of his labors—just one of a complete kit of modern sales tools.

The FIDELITY MUTUAL LIFE INSURANCE COMPANY
PHILADELPHIA
WALTER LEMAR TALBOT, President

NEW JERSEY

NEW YORK

INDUSTRIAL—INTERMEDIATE

The Colonial Life Insurance Company

OF AMERICA

HOME OFFICE—JERSEY CITY, NEW JERSEY

Ordinary — Group

**"A Good Company To Represent
—Represent a Good Company"**

PENNSYLVANIA

CONNECTICUT



Stability — Safety
Performance

ASSETS
\$13,750,000.00

CLAIMS PAID
\$114,000,000.00

The Standard Life Association

GEO. R. ALLEN
President

T. J. SWEENEY
Treasurer

S. S. BATY
Secretary

a number of other broad benefits which resulted in the high loss ratio for the Continental Casualty, according to Vice-president Roy Tuchbreiter of the latter company.

Fight Michigan Bill

LANSING, MICH., March 21.—Following a hearing before the senate insurance committee at which objections were raised by representatives of life insurance interests to provisions of the senate bill under which issuance or delivery of a policy would be deemed prima facie evidence of the sound health of the insured at the date of issuance, Senator Dawe, the sponsor, agreed to modifications. He agreed to eliminate "issuance" from the bill, thus making "delivery" of the policy the act which would bar contest by the company on grounds of physical condition. He insisted, however, on retaining a clause which would place the burden of proof on the insurer as to whether the applicant was in sound health on the "date of issuance," agreeing, however, to change "issuance" here also to "delivery."

Speakers against the bill included: B. C. Shepherd, Life Presidents Association; Joseph T. Peterson, Detroit general agent, Berkshire Life; Col. S. D. Pepper, Port Huron, general counsel, and L. J. Treanor, Detroit, vice-president, Michigan Life; Ralph M. Wade, second deputy commissioner, and H. B. Thompson, Detroit, secretary Michigan State Life Underwriters Association.

Main arguments were that enactment would mean delay in issuance of policies, would doubtless bring an influx of fraudulent applications, and would mean more company contests. Less than half of one per cent of claims are now contested.

J. M. Sprawls, district agent Atlantic Life, Williston, S. C., and Miss Lucile Suther, Augusta, Ga., were married recently.

NEWS OF THE FRATERNALS

Plan Cleveland Convention

Quadrennial Gathering of Woman's Benefit Association in Ohio City
Week of July 15

The quadrennial supreme convention of the Woman's Benefit Association of Port Huron, Mich., will be held in Cleveland the week of July 15. It will include a "prosperity pageant" in the Civic Stadium July 17, and a "Pioneers' " picnic at Euclid Beach, July 18, at which members for more than 25 years from every part of the United States and Canada will be guests of honor.

Preceding the convention, state and provincial conventions have been held in 38 states and provinces, President Bina West Miller attending seven of these: New York City, Hartford, Pittsburgh, Chicago, Peru, Ind., Toledo and Detroit. Miss Frances D. Partridge, secretary, will attend conventions in Topeka, Kan., Council Bluffs, Ia., Omaha, Denver, Casper, Wyo., and St. Louis, and Dr. Manion, medical examiner, those in Wheeling, W. Va.; Washington, D. C.; Baltimore, and Perth Amboy, N. J. All fraternalists are invited to be guests at the pageant July 17 and special reservations will be made for them.

Side Trips Are Planned

Visitors to the Cleveland convention are invited to include in their itinerary a trip to Lake Huron W. B. A. camp, the recreation and vacation playground of the association on Lake Huron, 11 miles north of Port Huron, and also to the headquarters.

Since organization date, 1892, Mrs. Miller states over \$49,000,000 has been

paid in death benefits. Gains are reported in all departments. Assets Dec. 31, 1934, were \$33,664,000, made up of U. S., state, county and municipal bonds \$31,842,000, real estate \$970,000, cash \$215,000, accrued interest \$495,000, premiums in collection \$97,000, and certificate loans \$45,000. Last year \$2,036,406 was paid to beneficiaries and members, \$1,737,524 being in death benefits. Interest earned on investments in 1934 was \$1,411,483.

Former M. B. A. Officers File Second Petition in Action

Three plaintiffs have filed a second petition in Davenport, Ia., in their suit for \$300,000 claimed wrongfully paid former officials of the Modern Brotherhood of America in connection with absorption of that order by the Independent Order of Foresters, Toronto. The answer previously filed by the I. O. F., a party defendant, and Albert Hass, A. L. Sherin and E. A. D. Bell, the former M. B. A. officers, was branded as fraudulent.

The plaintiffs, S. G. Frink, R. H. France and W. G. Makemson of Cedar county, claim that the C. R. Parks Service Company of Chicago was paid \$78,798 to handle the merger and that \$300,000 of this was to go to M. B. A. officers and directors.

J. R. Carruthers Dies

J. R. Carruthers, 74, until recently state deputy in Nebraska for the Royal Neighbors and previously state deputy in Iowa for the Modern Woodmen, died at his home in Lincoln, Neb., from a heart attack.

LIFE COMPANY CONVENTIONS

Northwestern Mutual Men in Central Illinois Rally

SPRINGFIELD, ILL., March 21.—Representatives of 23 central Illinois counties met here for an all-day agency meeting of the Northwestern Mutual Life, E. E. Cantrall, general agent, presiding.

Russell Thierbach, assistant director of agencies, spoke on "Reflections from the Home Office," and "The Short Course and Spot-lighting Campaign."

Besides Mr. Cantrall and Mr. Thierbach, speakers were: Milo P. Flickinger, Springfield; W. L. Cramer, Paris; O. L. Triebel, Jr., Springfield; Fred C. Fieker, Carlinville; W. Douglas McLain, Springfield; O. A. Sanks, Decatur; Jim W. Jackson, Decatur; J. Earl Finney, Marshall; C. A. Anderson, Mt. Sterling; J. H. Means, Rushville, and Larry E. Guthrie, Mattoon.

General Agents' Gathering

A zone meeting of the General Agents Association of the John Hancock Mutual Life was held for two days at Indianapolis.

Confederation Life Jubilee

To mark its 65th year of business, the Confederation Life, which was established in 1871, is planning to hold four field conventions in 1936, one for eastern Canada, one for western Canada, one for Great Britain, and one for Cuba, Central America, Mexico, and the West Indies. The 1935 business year is the period of production qualification for attendance.

Northwestern National Meet

PORTLAND, ORE., March 21.—Northwestern National Life agents from

Seattle, Everett, Boise, Ida. and Portland held a three-day conference here. W. F. Grantges, agency director, and E. P. Balkema, agency instructor, were on the program.

Lamar Life Official Dies

A. G. Miller, assistant secretary of the Lamar Life died of a heart attack in his home. He was 59, and had been connected with the company for 15 years.

Cherry With New Company

J. W. Cherry has resigned as vice-president of the United States Mutual of Chicago, which is affiliated with the Illinois Automobile Club, to become vice-president of the newly organized Standard Life of Indianapolis. Mr. Cherry has been in the insurance business in Illinois for many years. He has been the vice-president and acting manager of the United States Mutual about five years. Previously he was Chicago manager of the Continental Auto Underwriters of Springfield, Ill. Before that he was in the general agency business in downstate Illinois. He started in the life insurance business, so he is familiar with his new field.

The Standard Life has just been licensed. Harry Leslie, former governor of Indiana, is president. It starts with \$200,000 capital and \$175,000 surplus. Offices are in the Guaranty building.

The Standard Life was licensed March 7 by the Indiana department and is writing business. Among the officers are: Vice-presidents, Floyd E. Williamson, former state auditor; Elton F. Leffler, attorney; Geo. F. Flagg, formerly with the Indemnity Life & Casualty of Indianapolis, secretary-treasurer. A meeting and dinner for stockholders is planned for April 10.

THE MACCABEES

DETROIT, MICHIGAN

57 Years of Service

557 74th St.

Brooklyn, N. Y.

February 21, 1935

Officers and Members

Long Island Tent, No. 45, The Maccabees
Acme Hall, Brooklyn, New York

Gentlemen:

I wish to express to you my sincere appreciation of your courtesy and consideration evidenced by your attendance on my deceased husband prior to his death and to myself since February 3, 1935.

This will also serve to acknowledge receipt of your check in settlement of his insurance certificate in your order. Your promptness in this settlement is equally appreciated.

Sincerely yours,

(Signed) M.— G. D.—

SALES IDEAS AND SUGGESTIONS

Million Dollar Producers Tell How They Do It

Two million-dollar producers told how they do it at the annual All-Michigan sales congress in Detroit, bringing out many instructive and helpful points.

Louis Behr, who paid for 110 cases for \$2,000,000 for the Equitable of New York in Chicago last year while yet under 30, talking on "My Prospecting System and Approach," told how he handles large and average size cases. He obtains his prospects for large policies through centers of influence, often attorneys handling the affairs of prominent men and corporations and through references from policyholders to their friends.

Spends Time in Preparing Large Cases

He spends a great deal of time in preparation for the large cases before he makes his first call on the prospect, digging up all the available data on them from different sources and working out a program that should appeal to them in the light of their circumstances as brought out in his investigation. He sometimes spends days in preparation for an interview of a few minutes with "big shots" in the business world, frequently calling in a C. P. A. to aid him in laying out a comprehensive plan.

He always tries to get a letter of introduction from the prospect's attorney or some friend in whom the prospect has much confidence to pave the way to a satisfactory hearing, and then he spends hours rehearsing his sales talk, which is built up for each individual case in accordance with the data on the prospect, before the interview.

Cites Case Histories of Intensive Effort

He illustrated his points by giving case histories, one of which required the expenditure of ten days of time and \$500 in cash and involved two trips to New York and one to Palm Beach, only to end in disappointment. This case proved to be a blessing in disguise, however, since the disappointments he has had since have seemed pretty infinitesimal in comparison.

In the average sized cases he has found that the more he learns about the financial status of the prospects the better chance he has to sell them. He finds it better to subdivide his quota which he sets up for himself into monthly sections so that he has 12 minor worries rather than one year-long worry to bother him.

Divides Monthly Work Sheet Into Five Columns

His work sheet for each month is divided into five columns, "General Prospect List," "Selected List," "In Transit," "To Deliver" and "Paid For." Under the first columns he places the names of 75 prospects, 35 of them policyholders or prospects previously called upon and 40 new ones obtained by reading of or hearing of men who should be in the market for insurance, by reference from policyholders and prospects, etc.

In the "selected" list he places the names of the 40 names from the "general" list that by reason of accessibility or completion of data upon them he feels may be most easily contacted, including at least 25 of the new prospects. He makes up his daily work sheet from the selected list first, then from the general list if necessary. If the prospect is definitely not interested on the interview,

he eliminates him, for the present at least, but may transfer him to the general list for the next month or later if it seems advisable. If the prospect is interested, then his name is transferred to the "in transit" list, which therefore consists of contacted prospects who are interested.

Transfers at Least 25 Names a Month

He endeavors to transfer at least 25 names, 12 of them new prospects, to this list during the month. When the prospect signs the application he is transferred to the "to deliver" list and when he pays his first premium he goes into the final column, "paid for." Thus he works from left to right on the work sheet during the month and endeavors to keep a ratio of 2 or 2½ to 1 in each column as related to the one to the right of it. As he pungently expressed it, he works from right to left on the daily work sheets in order to push the names from left to right on the monthly sheet.

Know One Type of Insurance Thoroughly

"It is much better to know just one type of insurance thoroughly than to know all lines slightly," George H. Schumaker, Massachusetts Mutual, Cleveland, who paid for \$15,000,000 in the last 15 years, declared. "People will buy what they want rather than what they need so it is up to us underwriters to convince them that they need plenty of life insurance. We are the biggest bunch of loafers in the world; it behooves us to get out and work hard if we want to make a good living in this business. There is no reason why the average underwriter cannot write from a half to a million a year if he will get out and get busy intelligently."

"Many of us think that making out daily reports is infantile. This procedure, you will note, is followed religiously by most of the big producers. I know that it has been invaluable to me. Consider the best year you ever had; let us say it brought you \$25,000. Say to yourself, 'I am a \$25,000-a-year man,' and

get busy to live up to this estimate of your ability.

"Many of your prospects tell you when you call on them that they are not interested in any more insurance. Of course they are not. It is up to you to interest them in it. I believe in closing at the first interview whenever possible. I am speaking now of the average case, which makes up the bulk of my own business. Be militant. Life is uncertain. Maybe your prospect will not be here for you to call on when you get around to a second interview. The first chance may be your last chance. Make the most of it.

"When you get discouraged, pick up a prospect card on a man on whom you have information and say to yourself, 'What would happen to this man's family if he died tonight?' If that doesn't motivate you to get right out and see him, then you don't belong in this business. Go aggressively after the hesitant prospect; put the fear of God into him. Suggest taking a 90-day option on a policy. Don't let him get away without giving him a binding receipt. Assume that he will accept the policy when it is delivered to him.

Don't Let Prospect's Mind Get Off Track

"Don't talk about inflation, the gold standard or anything else but life insurance. Don't let his mind get off the track. Urge monthly settlements, pointing out that he should leave a minimum of \$100 a month to his family. The \$100 monthly policy is a respectability policy; sell it as such." Mr. Schumaker closed by giving his sales talk on monthly income settlement insurance.

Theodore M. Riehle, associate manager, Riehle agency of the Equitable in New York City and president of the National Association of Life Underwriters, outlined the work being done by the National organization and delivered a forceful broadside against part time agents, following up with some statistics on the business, which, he said, fortify him in his own selling and give him more confidence.

Mr. Riehle also discussed the closing of cases, in the light of his million dollar production. "The mental attitude of the underwriter is a very important factor in closing," he declared. "If he goes into the close with a positive, optimistic attitude, his feeling will communicate itself to the prospect and will likely have a powerful influence on him."

Tax Pointers for Selling Wealthy Prospects Given

Donald Kipp, tax attorney, talking on "The New Estate Tax and Its Use in Selling Life Insurance" at the All-Michigan Sales Congress in Detroit reviewed the various federal taxes affecting life insurance and offered suggestions for arranging insurance programs. He called attention to the fact that the gift tax law allows up to \$5,000 exemption annually and suggested that estates be so arranged as to pass on to heirs annual amounts coming within this exemption and thus cutting down the estates from the top, where the tax sometimes amounts to as much as 60 percent, to the bottom where it may go as low as ¼ of 1 percent. He suggested single premium contracts for this purpose.

Taxes Are Pyramided in Income Securities

Discussing the federal income tax, he showed that when funds are put into income-producing securities like stocks, bonds, or improved real estate income taxes are pyramided while in insurance they are leveled off. He discussed "the high cost of dying," where the federal estate tax law may result in more taxes than the legator spent during his lifetime, quoting as an example that a man leaving an estate of \$5,000,000 would be obliged to pay about one-half the entire amount in taxes. The usual paucity of cash in such estates often causes the sale of securities at a heavy loss in order to pay the "death" taxes.

Every man who goes out after insurance business from the wealthier class of clients should study the tax laws exhaustively, he advised. He also discussed the revenue tax law of 1934 and the revenue department regulations covering this law, and called attention to ambiguities in it. Studying the tax laws in order to cut down the amount of taxes paid is not avoiding the payment of taxes, but simply gaining the full benefit of exemptions to which the underwriters' clients are legally entitled, he declared.

formula: "Get acquainted with as many people as you can through participation in worthwhile activities, and then follow up those prospects with life insurance calls.

"I have never been able to understand the psychology of a man who does not want to sell his friends. It is obvious that the man has no confidence in himself or in what he is selling, or this feeling would not exist. If he had a good enough sales talk, he can interview his friends and still retain their friendship."

T. M. Riehle, president National association, spoke on "Your Place in the Business Recovery." "Life moves too swiftly to use it in a negative manner," believes Mr. Riehle, "and association work is one of the most important factors making for constructive progress in the business."

"I never use a fountain pen because I want, when I come to the close, to get the prospect into the sale," said Mr. Riehle. "Recently a life underwriter came into my office, and I noticed with astonishment he carried three fountain pens. Having my own ideas in the matter, I asked the life underwriter why he carried three. He laid them on my desk and said: 'Mr. Riehle, if you want a policy that will just barely take care of your funeral expenses, use this fountain pen (a very cheap one) and sign this application. If you want enough to bury you and to leave a few dollars over for

Kansas City Sales Congress Great Gathering of Agents

More than 300 life underwriters from western Missouri and eastern Kansas attended the annual sales congress of the Kansas City Life Underwriters Association in Kansas City, Mo. J. F. Trotter, Mutual Life of New York, manager and general chairman of the congress, presided. Willard Ewing, president of the association, in his welcome said he hoped underwriters would look at the meeting as they would through bifocal lenses, the upper part of which enables the long range vision of life insurance, its aims and ideals, and the lower part enabling the direct, clear vision of the immediate job—the practical examples and illustrations of everyday underwriting.

Bert A. Hedges, Kansas manager Business Men's Assurance, introduced his talk on "Before and After" by taking a show of hands on who came into the business since Jan. 1, 1934—about 10 percent—and between 1930 and 1934—

about 20 percent. "This flies in the face of published reports that the old timer, the 'old fogey,' are dead and out of the business," he declared.

Mr. Hedges discussed "the old deal" in prospecting. "Prospecting today, as then, consists in finding the man (1) with the need, (2) with the money to pay, (3) with the ability to pass. In recent years there has been added a fourth prospect qualification—one whom the agent can approach on a friendly and favorable basis. I am convinced that the latter qualification makes up about three-quarters of life insurance selling. No. 1 makes up about 5 percent, and No. 2 pretty well takes care of itself because the intelligent life insurance man contacts only those who have the ability to pay, anyway. Many agents today are working the financial qualification problem as an alibi," Mr. Hedges believes, "for not getting business."

Mr. Hedges proposed a prospecting

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the support of your family, which is what the average man does, use this one (a medium price pen, commonly used). However, Mr. Riehle, if you want to do the handsome thing, and leave your family enough to be comfortable on the rest of their lives, etc., use this one and sign this application (and he pointed to a diamond studded pen, which he had had especially made at a cost of \$500). "Now my little idea of not using a pen gets me excited. His little idea of using three pens gets him excited. We're both right because we have both achieved the same thing—enthusiasm for selling life insurance."

Urges Time Analysis

Speaking on "Putting Business Principles Into Life Insurance Selling," W. Scott Smith, St. Louis general agent Pacific Mutual Life, suggested that the man who checks every minute he actually spends in a prospect's office will be amazed. Underwriters get discouraged, largely because they are not making any money, and usually it is found to be because they do not do business on a business like basis. The very act of keeping records, simple as it sounds, very often means the difference between success and failure in the life insurance business, Mr. Smith asserted. His own experience illustrates this. In December, 1932, he increased his production 350 percent largely because he started keeping records.

Prospecting Simple Procedure

Prospecting is, for the man who will intelligently go about it, an essentially simple procedure, Mr. Smith believes. For instance, he takes a plain folder labeled "new prospects," and then, wherever and whenever he comes across a name, or a name occurs to him, he stops, writes it on a notesheet, and when he gets in his office puts it in the folder. Some time during the week, usually Saturday afternoon, he works them up.

Interviews? He makes every prospect say "no" five times. At the second "no" he starts talking the man's hobby; at the third "no" he starts talking about the man's child or children; at the fourth, he starts in on the man's business. When the prospect says "no," Mr. Smith has found it an excellent idea to ask him for his reasons. Usually these are nothing more than excuses and Mr. Smith points this out.

Asks Questions in Interview

"I like someone with definite objections, for then I can give my reason for his buying," Mr. Smith achieves diplomacy in an interview through asking questions, and this enables him to persist without high pressuring.

"The 'driving' days of salesmanship are over and gone, and the 'leading' days are here. People who were high-pressured into buying bonds, stocks, etc., back in the boom era, and later lost their savings in those very bonds and stocks, etc., no longer trust the high-pressure salesmen. They will no longer buy against their reason, judgment and emotion," he says.

So Mr. Smith tells a prospect: "Don't buy from me because you think you have to—you would always regret it and so would I." The reaction of the prospect to this "don't" often makes the sale. Another "don't" Mr. Smith follows is not talking too much. He keeps to one issue. He doesn't hesitate to ask for the order. In one instance another life underwriter sold the idea but couldn't get the order. Mr. Smith went in and sold it in five minutes.

Upon the laws of contact—poise, voice, ambition, imagination, enthusiasm, motive, suggestion, contact, etc.—the underwriter should build his sales talk, according to Martin Seltzer, general agent Aetna Life at Des Moines, who spoke on "The Law of Contact—Local

Association and National Convention." "You'll always find the best insurance men in any community belonging to their life underwriters' association," he declared.

"Life insurance is the best financial friend of the country and of the individual," said Paul Speicher, of the "Research & Review." "A sales congress is nothing more or less than idea counter," he commented. "Ideas are worth only about 10 cents on the dollar until some one puts them to work, and then they are worth almost anything."

Superintendent O'Malley Talks

Superintendent R. Emmett O'Malley discussed the proposed insurance code and the agitation that the fraternalists be eliminated from the code. Mr. O'Malley said that the idea of the licensing of agents contained in the code took form at a sales conference in St. Louis. "We want it as a weapon to use against undesirable persons in the business. When I'm through with this job I am going back to a rate book. But in the meantime we will make every effort to weed out the man who doesn't represent the industry as it should be represented."

NEW YORK NEWS

RUNS OFFICE FROM SICK BED

W. E. Diefendorf, general agent, Mutual Life of New York in New York City, has kept in close personal touch with his office despite a severe illness which has confined him to his bed for a number of weeks. By means of a telephone loudspeaker in his office, he was able to address agency meetings from his bed. He is well on the road to recovery and is expected back at his desk by the end of the month.

R. S. FARLEY IS HONORED

R. S. Farley, who has just been appointed manager in Maryland for the Jefferson Standard Life, was guest of honor at a luncheon in New York given by H. L. Wofford, manager of the Prudential's office at 90 John street. The lunch was attended by the staff of the Prudential offices in New York.

FLANAGAN WITH DIEFENDORF

C. S. Flanagan, formerly a trust officer of the Central Hanover Bank & Trust Company for many years, has become affiliated with the Diefendorf agency of the Mutual Life of New York in New York City. Mr. Flanagan was in charge of the Central Hanover tax department.

R. H. Keffer, general agent Aetna Life in New York City, has returned to his office after a month's vacation at Nassau.

Detroit Actuaries Club in Analysis of Illinois Code

The Illinois insurance code was dissected and discussed at length by members of the Detroit Actuarial Club at the March meeting, with President R. F. Reitter, actuary of the Gleaners, in the chair. Lauren Schley, acting actuary Detroit Life, led discussion.

Plans were made for the April meeting at which a speaker from the Michigan office of the Federal Housing Administration will discuss the FHA program in its relationship to insurance and investments. Investment representatives of insurance companies will be invited to attend. A committee consisting of R. E. Morris, assistant actuary Maccabees; A. A. Sprague, actuary Michigan Life, and J. T. Rohm, actuary American Life, was appointed to conduct an intensive membership drive for the club.

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RECENT COURT DECISIONS

Finds No Insurable Interest

Mere Existence of Legal Partnership Not Sufficient—Cancels Policy After End of Incontestable Period

Despite the expiration of more than two years, the Sun Life succeeded before the Michigan supreme court in its effort to have a policy canceled. The argument of the Sun Life was upheld that the incontestable clause has no application in the case, because of intentional fraud and lack of insurable interest. Therefore the policy is completely void. The case was Sun Life vs. Allen et al.

The company issued policies on the lives of Allen and Cap, payable to the Hand Baking Company, a copartnership. Cap died as the result of a tussle with Elson, one of the "partners."

The evidence brought out that Cap was never a real partner in the Hand Baking Company and that the concern had no insurable interest in his life. The mere existence of a legal partnership does not establish an insurable interest, the court stated. The copartnership certificate was not filed until the day after the signing of the first application. The partnership could not have suffered so substantial a loss on the death of Cap as to prefer his continued services to the insurance money. Everything points to the opposite conclusion. He had nothing to do with the management of the business, he was not an experienced baker, his duties, when sufficiently sober, were to sweep the floors and tend the fires. He paid no money for a partnership interest valued at \$20,000, but gave a note for \$3,000. Elson signed the application and paid the premium for the copartnership. He was the moving spirit in the transaction and Cap was merely the stupid tool through which the fraud was perpetrated.

Hold Insured Must Know Writing Powers of Company

The Illinois Bankers Life Association, an assessment concern, predecessor of the present Illinois Bankers Life of Monmouth, Ill., is not liable under a contract providing to pay a living member a fixed cash benefit upon attaining age 70, because the Illinois assessment act of 1893, under which the association was organized, gave the association no authority to write such a policy. This was the decision of the Illinois appellate court, second district, in Pattison vs. Illinois Bankers Life Association.

The policy provided that upon the assured attaining the age of 70, total physical disability shall be deemed to exist and thereafter 10 percent of the policy would be paid until the face of the policy was consumed.

The court held that the association should not be estopped from raising the defense of ultra vires. A party dealing with a corporation having limited and delegated powers conferred by law is chargeable with notice of them and their limitations, and cannot plead ignorance in avoidance of the defense of ultra vires.

Suicide and Reinstatement

The suicide clause in a reinstated policy dates from the issuance of the original contract and not from the time of the reinstatement, the United States circuit court of appeals, second circuit (New York) has decided in Tatum vs. Guardian Life. The assured killed himself less than a month after the policy was reinstated, but more than a year after the original policy was issued.

Trust Made While Insolvent

Beneficiaries Are Protected Against Claims of Creditors by the Pennsylvania Supreme Court

The fact that an assured may be insolvent at the time of executing an insurance trust agreement, does not make the agreement unlawful nor a fraud upon creditors of the assured, according to the Pennsylvania supreme court, western district, in Potter Title & Trust Co., administrator, vs. Fidelity Trust Company, et al.

Weddell was the assured. He owned policies aggregating \$27,000, with his wife and daughter as beneficiaries. While insolvent, he executed a trust agreement covering the policies, providing that in the event of his death, the trustee should collect the proceeds and administer the fund for the suitable maintenance and support of his wife and daughter. The Fidelity Trust Company filed a bill to have the insurance trust declared void and the proceeds turned over to the trust company for the benefit of Weddell's creditors.

The supreme court held that the wife and children of every man have an insurable interest in his life and the law has always looked with favor on a life insurance contract made for their comfort and maintenance. This court has upheld and encouraged such provisions and protected them from the claims of creditors. The statute provides protection for the wife and children as beneficiaries, from claims of creditors and this benefit inures to them whether the assured was solvent or insolvent or reserved the right to change the beneficiary.

Ignorance of the Language Doesn't Excuse False Answer

The theory that misrepresentations should not invalidate the policy because the assured was a Lithuanian and probably did not understand the questions was dismissed by the Illinois supreme court in holding for the insurer, in Western & Southern Life vs. Tomasun. Emilay Tomasun was the assured. It is not denied that her answers in the application were false, nor is it denied that she was not in good health when the policy was delivered to her. However, it was claimed on behalf of the beneficiary that she was a Lithuanian and did not read English or understand it readily.

The court held it is not essential that the applicant should have willfully made misrepresentations knowing them to be false. They will avoid the policy if they are, in fact, false and material to the risk, even though made through mistake or in good faith.

However, the court concluded that the assured acted with fraudulent intent. On the day of signing the application she consulted a doctor and the next day was operated on. She had undergone a severe abdominal operation six months prior to the application and had been under constant medical observation and treatment. It is impossible to believe she could have in good faith considered herself an insurable risk.

Rowboat Is Vehicle

A row boat is a vehicle within the meaning of the clause which provides benefits for death resulting from "the wrecking or disablement of any vehicle or car operated by any private carrier or private person in which the assured is riding or by being accidentally thrown therefrom." This was the decision of the Illinois appellate court,

first district, in holding against the insurer in MacKnight vs. Federal Life.

The assured and his two sons went duck hunting near Hurlock, Md. When the row boat started to sink, all jumped into the water and went to shore. They became lost and so cold and tired they lay down. When the rescue party found them, the father and one of the boys were dead.

The court held a row boat is a vehicle within the meaning of the policy and it is obvious that the boat was disabled within the meaning of the policy. There was a causal relation between the sinking and the death.

Is Not Liable for Renewals

Sun Life Upheld by Iowa Supreme Court in Controversy with Ex-Agent Over Commissions

The Sun Life has been upheld by the Iowa supreme court in its refusal to pay renewal commissions to McPherrin on the ground that the agent had breached the conditions of the contract by becoming connected with and doing business for another life company. McPherrin claims that the Sun Life waived that provision in the contract.

The burden of proving a waiver rested upon McPherrin, the supreme court held. He must prove that the Sun Life had full knowledge of the fact he had breached the contract by doing business for another company and further establish that with the appreciation of such breach foreclosed his right to the further renewal commission, the company waived the condition and agreed, without any obligation on its part, to do so, to assume a new contractual obligation to pay renewal commissions to McPherrin. There is no evidence, the court held, of the knowledge upon the part of the Sun Life that McPherrin has breached its contract. At no time were any commissions actually paid to McPherrin. His account with the company was credited with the renewal commissions up to April 25. The Sun Life claims that they had no knowledge that McPherrin was terminating his contract until that time and that the credit alleged to have been given McPherrin was shown in certain semi-monthly statements, furnished in the regular course of business, to all of its agents, showing the status of their accounts.

No Redress for Negligent Delay in Acting on "App"

The Texas supreme court has overruled a lower court which had awarded judgment in tort against an insurer on the ground of negligent delay in acting upon an application for insurance. The case was American Life vs. Nabors.

The application was on the nonmedical basis and the insurer had a reasonable time in which to pass on the application before the death of the applicant.

The supreme court held that this action cannot be maintained unless it is held that the general rule to the effect that where the law imposes no duty to contract there can be no such thing as negligence in the matter of delay in accepting or rejecting an offer so to do, does not apply to insurance companies. The opinion of the lower court holds in effect that life insurance companies are excepted from such general rule. However, the supreme court said all of the authorities class insurance contracts, as such, as fundamentally the same as other contracts as regards offer and acceptance. There is no contract unless and until the application is accepted by the insurer.

Conceals Part of Other Insurance; Not Material

The Tennessee supreme court has refused to permit the Lamar Life to cancel a policy on the life of an assured, because in his application, he concealed the existence of a \$2,500 policy in the United Benefit Life. The case was Lamar Life vs. Culp.

In the application, four policies were listed, but the United Benefit Life policy was omitted.

The Tennessee code provides that no misrepresentation or warranty shall be deemed material or void the policy unless it is made with actual attempt to deceive or increase the risk of loss.

The court held this omission was not material to the risk. There is nothing to indicate that insured was endeavoring to procure excessive insurance or more insurance than he was financially able to carry or that he was otherwise than a first-class risk. It cannot reasonably be said that \$13,000 is an excessive amount of insurance for a professional man in the prime of life.

The insured also failed to disclose an accident policy. This was not necessary. The general question concerning other existing insurance does not call for disclosure of existing accident insurance.

Property That Insurance Proceeds Buys Not Exempt

Property, purchased by a beneficiary with the proceeds of an insurance policy, is not exempt from attachment or sale under a judgment, according to the Minnesota supreme court in Ross vs. Simser, et al. The Minnesota statutes provide exemption up to \$10,000 for attachment or sale under a judgment of the proceeds of insurance upon the life of the deceased husband or father.

The higher court held that the claim cannot be allowed because the statute cannot be enlarged. If the proceeds are deposited in a bank to the credit of a beneficiary, the exemption attaches to the deposit. But here the insurance money, instead of being deposited to the credit of the beneficiary, was used by her for the purchase of property.

Applicant Must Give Facts, Not Opinions, Court Says

Concealment of treatment for hookworm infection by the applicant provides sufficient ground for canceling the policy before the expiration of the incontestable period, according to the United States circuit court of appeals for the fourth circuit, (North Carolina) in Jeffress, Jr., et al. vs. New York Life.

The New York Life alleged that 18 months prior to making application for the policies, the assured had been treated for hookworm and secondary anaemia and that the company had not discovered this until application was made for disability benefit. The assured averred that the misrepresentations were made by inadvertence and in good faith, that the illness was not a material illness and was completely cured by two or three treatments.

The court held that the misrepresentations admitted must be deemed material as a matter of law. Here is an admission of the falsity of answers to questions which call for facts and not opinions and the false answers concealed treatment deliberately undertaken for the cure of a serious ailment. No averment as to the immateriality of the disease or the slightness of the treatment can negative such admission.

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